

Clerk File No. 309945

**Department of Planning and Development Director's
Report relating to Council Bill No. 116508,
proposing Amendments to Pike/Pine Overlay
District and Related Rezones Phase 1.**

Related Legislation File: CB 116508

Date Introduced and Referred:	To: (committee):
Date Re-referred:	To: (committee):
Date Re-referred:	To: (committee):
Date of Final Action:	Disposition:

4-15-07
Date Filed with City Clerk

Theresa Dunbar

The City of Seattle – Legislative Department

Clerk File sponsored by: _____

Committee Action:

Date _____

Recommendation

Vote

This file is complete and ready for presentation to Full Council. _____


Full Council Action:

Date

Decision

Vote

MEMORANDUM

To: Emilia Sanchez
From: Rebecca Herzfeld 
Date: April 9, 2009
Subject: Report for legislation amending zoning in the Pike/Pine neighborhood

The enclosed Department of Planning and Development (DPD) report provides background for proposed Council-generated legislation that would amend the zoning in the Pike/Pine neighborhood. The electronic file name for this legislation is "Pike Pine Overlay ORD v14.doc". The title of the bill is:

AN ORDINANCE related to land use and zoning, amending Seattle Municipal Code (SMC) sections 23.73.002, 23.73.004, 23.73.006, 23.73.008, 23.73.010, 23.47A.005, 23.47A.012, 23.61.006, 23.61.012, 23.55.030, 23.84A.002, and 23.84A.006; adding a new section 23.49.009; and amending the Official Land Use Map at pages 110-111 to expand the boundaries of the Pike/Pine Overlay District, to rename the Overlay District the Pike/Pine Conservation Overlay District, to rezone land within the existing boundaries of the Pike/Pine Overlay District and one small area within the expanded overlay boundaries to add the Pedestrian zoning designation (suffix P), to designate additional principal pedestrian streets within the proposed pedestrian-designated zone, to remove the First Hill Station Area Overlay District, and to remove portions of the Capitol Hill Station Area Overlay District currently within the boundaries of the Pike/Pine Overlay District, in order to clarify the requirements of the Pike/Pine Overlay District and better maintain the character of the Pike/Pine neighborhood.

According to Procedure D627, please create a Clerk File (C.F.) for the DPD report that is linked to the Pike/Pine legislation in the Clerk's system. My suggested title for the C.F. is "Department of Planning and Development Report and material related to C.B. XXXXXX about zoning amendments for the Pike/Pine neighborhood". If you have any questions about the report, please let me know. Thank you.

Proposed Amendments to Pike/Pine Overlay District and Related Rezones

Phase 1

Report and Recommendation

Department of Planning and Development (DPD)
April 5, 2009

INTRODUCTION

As requested by Councilmember Rasmussen, the Department of Planning and Development is proposing to amend provisions of the Pike/Pine Overlay District within Chapter 23.73 of the Land Use Code. The proposed amendments would update and clarify provisions of the overlay that have become out of date or ambiguous due to subsequent amendments to the base commercial zoning, provide for related changes to zoning, and include additional provisions to promote neighborhood conservation objectives. These actions are part of the ongoing process of implementing the Pike/Pine Neighborhood Plan, and are the initial phase of a two-phase effort underway to address conservation issues in the Pike/Pine neighborhood. This report discusses the proposals in two parts; Part 1 provides an overview and analysis of the proposed amendments and Part 2 provides a detailed analysis of the proposed rezones.

Objectives of Amendments

The proposal calls for amending the Pike/Pine Overlay to accomplish the following:

- Continue to promote new mixed use and residentially-oriented development as intended under the original provisions of the overlay;
- Expand the scope of the overlay to promote new development that is more compatible in scale with existing conditions in the area;
- Provide flexibility to retain "character structures" -- buildings that are 75 years old or older--as part of new development;
- Increase opportunities and flexibility to encourage the continued use of existing buildings;
- Promote conditions that allow small, diverse local businesses to continue to operate in the area; and
- Provide incentives for retaining existing art and cultural uses and attracting similar new activities to the area.

Highlights of the Proposal

To achieve the objectives above, the following actions are proposed and described in detail in this report:

- Rezone the NC3 areas within the current boundaries of the overlay to a pedestrian zone designation (NC3P), while retaining current height limits.
- Adjust the boundaries of the Capitol Hill Station Area Overlay District and remove the First Hill Station Area Overlay District to exclude areas that overlap with the Pike/Pine overlay and eliminate redundant and potentially conflicting regulations.
- Designate E. Pike/Pike Street and E. Pine/Pine Street, which currently require commercial uses at street level, as principal pedestrian streets, as well as segments of 10th, 11th, 12th and 13th Avenues east of Broadway and north of Pike Street, which currently do not require street level uses.

- Expand the boundaries of the Pike/Pine Overlay District to include existing NC3P and NC3 zoned areas in the Pike/Pine neighborhood along Broadway and east of Broadway and south of E. Pike Street.
- Establish a floor size limit for upper floors of new development throughout the overlay area and a maximum limit on structure width for new structures with frontage on E. Pike/Pine Street and E. Pine/Pine Street. Provide flexibility to allow limited increases in floor size under specific conditions—primarily to retain existing structures.
- Identify structures that are 75 years old or older as character structures and provide flexibility to retain these structures. Do not allow this flexibility to projects that would result in the loss of a designated landmark or one of the 48 structures identified as having potential for landmark nomination in the Department of Neighborhood's Historic Resource Survey.
- Provide incentives through exemptions from floor area calculations and/or limits on non-residential use to:
 - retain existing character structures on a development lot, including either the whole structure or at a minimum the "envelope" created by the structure's street facing facades;
 - encourage development on small lots of 8,000 square feet or less;
 - include space for small commercial uses at the street level of structures;
 - include arts facilities and theaters in existing structures and new projects; and
 - maintain the economic viability of character structures by allowing non-residential uses to fully occupy these structures and limited additions to these structures.
- Allow a ten foot height exception for projects that retain existing character structures and portions of existing character structures on a development lot.
- Limit the street frontage of uses at street level in new structures on Pike and Pine Streets.
- Restrict certain types of signs that are incompatible with the local business character of the Pike/Pine area.

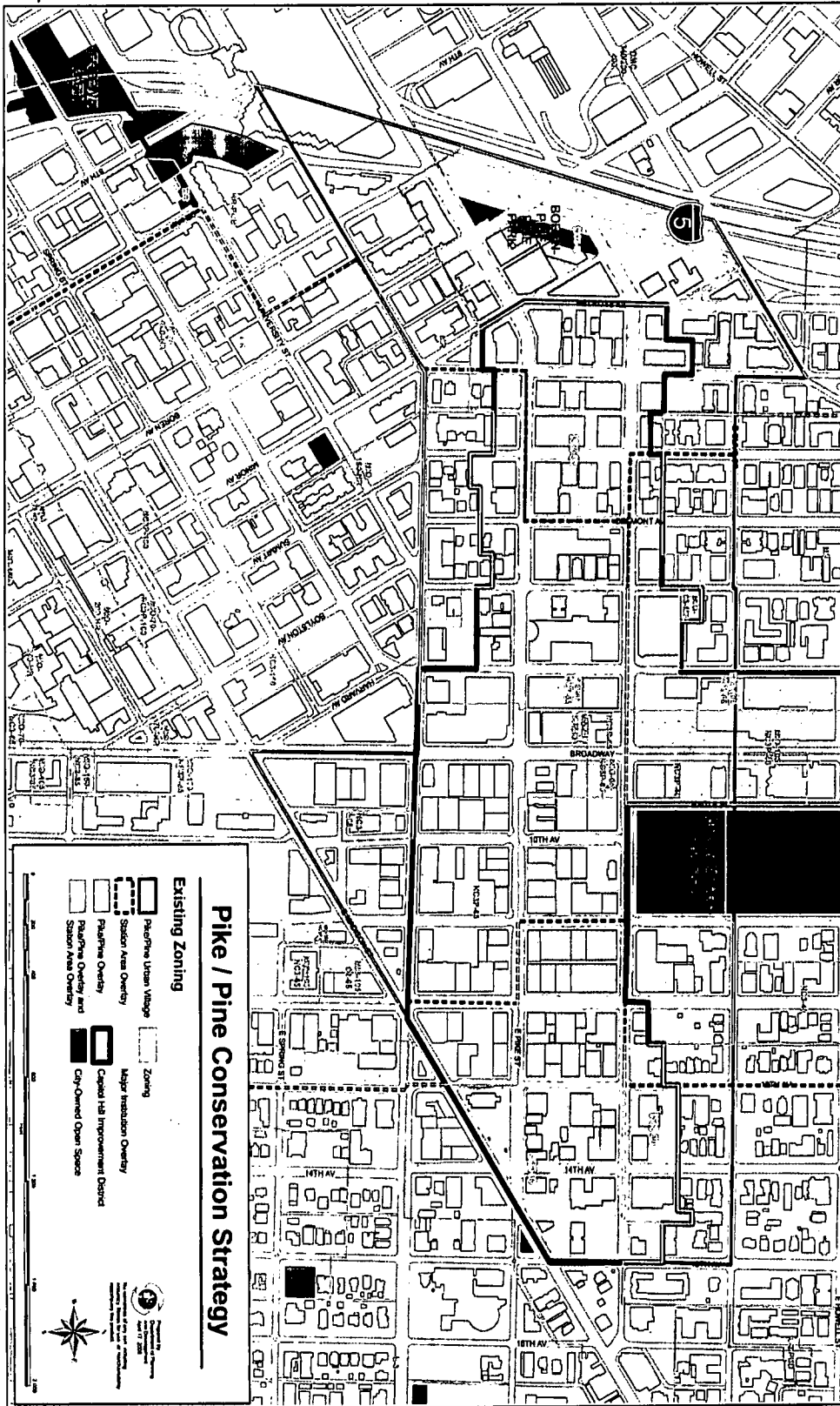
BACKGROUND

The Pike/Pine Overlay District was established in 1995 to implement the 1991 Pike/Pine Planning Study. The overlay, shown on Map 1 below, was a response to concerns about high density commercial development encroaching from downtown eastward across Interstate 5 into the Pike/Pine neighborhood. The overlay was primarily intended to preserve and enhance the area's mixed-use character. Through limits non-residential use, the overlay favored mixed use development and, under specified conditions, allowed residential-only projects, which were otherwise discouraged by the underlying commercial zoning.

In March 1999, Council adopted Ordinance 119413 amending the City's Comprehensive Plan to include key goals and policies from the 1998 Pike/Pine Urban Center Village Plan. The plan affirmed the neighborhood's commitment to mixed-use development, while identifying the following four key objectives as additional priorities:

- preserve and encourage affordable and market-rate housing;
- sustain the character of Pike/Pine through implementation of urban design recommendations and policy changes;
- consider a "conservation district" for the neighborhood; and
- strengthen the neighborhood core east of Broadway, bounded by Broadway, 12th Avenue, Pine and Madison.

Map 1



The neighborhood plan recommendation to expand the overlay to the “neighborhood core” east of Broadway was considered by DPD but never implemented. Most of this area was zoned Commercial 2 (C2) at the time, which allowed a broad range of commercial uses and automobile oriented activity. As an alternative to including the area in the overlay, it was rezoned in 2000 to a neighborhood commercial zone (NC3 65) with a P1 pedestrian designation to promote more pedestrian-oriented, mixed use development. Also, no specific action was taken to establish a conservation district at this time, although in 2000 the City Council adopted design guidelines to address issues of design and neighborhood character in new development.

Since adoption of the overlay, the city’s commercial zoning provisions have been amended several times, with consequences, often unintended, on the overlay’s provisions. In 2001, much of the area within the boundaries of the Pike/Pine Overlay District was also included within the boundaries of two station area overlay districts (SAOD), the First Hill SAOD and the Capitol Hill SAOD. Most recently, in 2006, under the Neighborhood Business District Strategy, major amendments to the commercial zoning resulted in changes to both the overlay’s underlying zoning and the creation of a pedestrian designated zone for the NC3 areas outside the overlay. Amendments affecting the zoning inside and outside the overlay boundaries, and the creation of overlapping overlays, have, in some instances, invalidated the original overlay provisions and created conflicts and contradictions.

Increased development activity in Pike/Pine has raised concern about the impact of larger new projects on neighborhood character and the effectiveness of design review alone in ensuring that new projects contribute to, rather than detract from, that desired character. In particular, large projects resulting in the demolition of several structures on a lot and the loss of entire street frontages of small businesses have been a focus of concern. This potential threat to neighborhood character prompted Councilmember Tom Rasmussen to sponsor a project in the DPD to assess development conditions in the area and consider measures for protecting neighborhood character. The original focus of the effort was to examine the use of transfer of development rights (TDR) as a tool for neighborhood conservation, as recommended in the 1998 Pike/Pine Urban Center Village Plan.

As an initial step, DPD hired a consultant who worked with neighborhood stakeholders and produced two background reports. The first report addressed Pike/Pine neighborhood character and recommendations, and the second report discussed the use of TDR as an incentive for neighborhood conservation. These reports and other information are available at <http://www.seattle.gov/dpd/Planning/PikePineConservationOverlayDistrict/Overview/>. From an initial assessment of a TDR program linked with the existing Downtown program, DPD staff concluded that the capacity of projected Downtown development to absorb TDR was too limited and, combined with the available supply of TDR from Downtown locations, the potential supply of TDR from structures in Pike/Pine would far exceed likely demand.

An alternative option for a TDR program would be to establish receiving areas for Pike/Pine TDR in surrounding Capitol Hill and First Hill areas. However, this would require the upzoning to create additional development capacity in TDR receiving area, an action that would involve extensive public discussion with the affected neighborhoods. As a result, further consideration of a TDR program was deferred until it could be taken up again the second phase of work.

Given the status of TDR, Councilmember Rasmussen decided to pursue other actions that could be implemented over a shorter timeframe to address immediate concerns about the threat of out of scale development on neighborhood character. Following a series of conversations with area stakeholders, DPD staff developed an initial package of recommendations for revising the provisions of the Pike/Pine Overlay District, including the neighborhood’s recommended

expansion of the overlay boundaries, to promote conservation objectives. These proposals primarily addressed the size of development lots and provisions for street level uses to accommodate smaller businesses, but also recognized older structures in the area as “character structures” and included incentives for retaining these structures as part of new projects.

The draft proposal was presented and discussed at a well-attended public forum held in the Pike/Pine neighborhood on October 14, 2008. In response to issues raised by the public at the meeting, DPD staff refined the draft proposal. The most significant change was the decision to address the scale of new structures by limiting the size of the upper floors of a structure, rather than limiting the size of a development lot.

The proposed changes would restore the intent of the overlay’s original provisions, while expanding the function of the overlay to address conservation objectives by promoting new development that is more compatible with the historic scale and character of development in the area, encouraging the retention of existing structures, and promoting an active, varied street level environment.

Legislative History

An outline of the original legislation creating the overlay and subsequent amendments is provided below:

- **Ordinance 117514 (1995):** Established the overlay which applied to neighborhood commercial zones (NC3 85, NC3 65, and NC3 40); limited the amount of commercial use allowed in a development, required commercial uses at street level along Pike and Pine Streets; and encouraged residential-only development at appropriate locations by allowing a scale and density similar to that permitted for mixed use development.
- **Ordinance 118414 (1996):** Amended the Pike/Pine Overlay District (23.73) to provide the correct reference to an amended section of the commercial code (23.47) regarding conditions for allowing residential-only projects.
- **Ordinance 120000 (2000):** Amended the parking policies in Seattle’s State Environmental Policy Act (SEPA) ordinance, SMC 25.05.675M, to implement the Pike/Pine Neighborhood Plan, so that SEPA policies cannot be used to require additional parking for development within the Pike/Pine Overlay District.
- **Ordinance 120004 (2000):** Land Use Code amendments to implement Pike/Pine Urban Center Village Neighborhood Plan. Removed the density limit for residential-only development (but only for housing with units affordable to low-income households); allowed a four foot height exception for mixed-use development to accommodate higher height for ground floor commercial uses; reduced the required amount of parking and reduced required open space; allowed off-site accessory parking for residential uses; and capped the parking requirement for residential uses at one space per unit, with a further reduction for affordable housing. Included a rezone of the C2 65 area outside the overlay, south of Pike Street and east of Broadway, to a pedestrian designated zone, NC3 65 P1. However, the area remained outside the overlay. Within this area, the Principal Pedestrian Street designation was applied to 10th, 11th, and 12th Avenues and E. Madison and E. Pike Streets.
- **Ordinance 120452 (2001):** Established permanent station area overlay districts (SAODs) for First Hill and Capitol Hill/Broadway stations, which overlap in some areas with the Pike/Pine overlay. Established greater floor area ratio (FAR) limits within station area overlay districts. Eliminated density limits for residential-only structures in all SAODs. Stated that if provisions of a SAOD conflict with Pike/Pine Overlay District, the Pike/Pine provisions prevail.

- **Ordinance 121196 (2003):** Added a definition of "live-work unit;" established appropriate development standards; and amended the Pike/Pine Overlay District (23.73) to include live-work units as permitted non-residential use.
- **Ordinance 121476 (2004):** Adopted minor corrections to the overlay.
- **Ordinance 122311 (2006):** Adopted a major overhaul of zoning regulations for all commercial areas (also called the Neighborhood Business District Strategy). Established a pedestrian zone (P) designation for the area south of E. Pike Street and east of Broadway outside the Pike/Pine overlay (changing it from NC3-65 P1 to NC3P 65); required street level uses on most street frontages in the P area; and eliminated parking requirement for all uses.

Relationship to Existing Plans and Policies

Seattle's Comprehensive Plan and the Pike/Pine Neighborhood Plan recognize the public benefit of protecting resources that contribute to neighborhood identity and character. Comprehensive Plan goals and policies promote the protection of these neighborhood resources. The goals and policies from the Urban Village Element, Land Use Element, Cultural Resources Element, and Neighborhood Planning Element that are most relevant to the proposal are included in Appendix A. Furthermore, the proposed amendments implement recommendations of the Pike/Pine Urban Center Village Plan included in the neighborhood Approval and Adoption Matrix, also included in Appendix A.

PART 1: PROPOSED AMENDMENTS

The following is a summary of the sections of the Land Use Code proposed to be added or amended:

Summary of Proposed Amendments	
Land Use Code Section Added or Amended	Notes or Explanation
Subchapter I Establishment of Overlay District	
23.73.002 Purpose and Intent	Amended to include the additional purpose of the overlay to promote conservation objectives.
23.73.004 Pike/Pine Overlay District Established <i>Revised to:</i> Pike/Pine Conservation Overlay District Established	Amended to rename the overlay district the "Pike/Pine Conservation Overlay District, and to replace the map of the overlay to show the proposed expanded boundaries and the proposed NC3P base zoning.
23.73.006 Application of regulations	Minor technical revisions
Subchapter II Use and Development Standards	
23.73.008 Uses <i>Revised to:</i>	<ul style="list-style-type: none"> • Deletes current provisions related to street level uses, which are to be replaced by standards in the underlying pedestrian designated commercial zones (NC3P).

Uses at street level	<ul style="list-style-type: none"> • Moves existing limit on non-residential use to a new section, 23.73.009 Floor area ratio, and expresses as an FAR limit. • Adds new map to show pedestrian designated streets, including additional streets proposed for designation. • Adds proposed new standards to require space for small businesses at street level if street level commercial use exceeds a specified size threshold and to limit the frontage of individual businesses at street level in new development along Pike and Pine Streets.
New section: 23.73.009 Floor area ratio	<ul style="list-style-type: none"> • Provides FAR limit to replace current height and percent of total floor area limit on non-residential uses. • Exempts existing character structures, including limited additions to those structures, from limits on non-residential uses. • To encourage conservation objectives, certain uses are exempt from FAR limits, including commercial uses that meet requirements to accommodate small businesses, performing art space and space for arts facilities, residential use in development on small lots that are either vacant or occupied by parking, and residential use in development that includes a character structure or portion of a character structure on the same lot.
23.73.010 Development standards	<ul style="list-style-type: none"> • Adds new development standards to address development scale, including a limit on the floor size of upper portions of new structures and a limit on the frontage of a new structure abutting either Pike or Pine Streets. Exceptions to the floor size limit are also provided for projects that retain character structures, accommodate certain uses that promote conservation objectives, or employ alternative measures to address bulk and scale. • Revised to clarify that there is no longer a parking requirement, since Pike/Pine is located in an Urban Center, and to prohibit accessory parking on a lot other than the development lot if it would result in the loss of a character structure. • A new chart identifies character structures that, if demolished, would prevent a project from qualifying for a FAR exemption, increase in floor size limit, or a 10 foot height exception.
Other Code sections	
23.47A.005 Street level uses (Development standards in commercial zones)	<ul style="list-style-type: none"> • Adds uses to be permitted at street level specific to Pike/Pine, including auto dealerships in existing structures, and arts facilities. • Adds the additional principal pedestrian streets proposed for Pike/Pine to the list in this section.
23.47A.012 Structure height	<ul style="list-style-type: none"> • Amended to include a reference to the provisions for height exceptions in the Pike/Pine overlay.

23.61.006 Application of regulations and 23.61.012 Residential structures (Both sections apply to Station Area Overlay Districts)	Amended to delete references to the Pike/Pine Overlay District no longer needed with removal of Station Area Overlay Districts within the overlay boundaries.
23.55.030 Signs in NC3, C1, C2 and SM zones	Amended to prohibit internally illuminated cabinet signs and backlit awning signs within the proposed Pike/Pine Conservation Overlay District, and technical revisions.
Definitions 23.84A.002 "A" and 23.84A.006 "C"	Amended to add definitions for "arts facility" and "character structure."

A more detailed discussion of the proposed amendments to Chapter 23.73 of the Land Use Code (Pike/Pine Overlay District) and other related sections is provided below:

Amend 23.73.002 Purpose and Intent

The original intent of the overlay was to address concerns about high-density, single use commercial development encroaching into the area from downtown across Interstate 5. To this end, provisions of the current overlay limit commercial development and encourage mixed use and residential development.

This section would be amended to rename the overlay the Pike/Pine Conservation Overlay District and to include, among the intended purposes of the overlay, the conservation of neighborhood resources that contribute to the unique character of the Pike/Pine neighborhood.

Rezone the underlying NC3 areas currently within the Pike/Pine Overlay District boundaries to a pedestrian designated NC3P zone.

Issue The original boundaries of the Pike/Pine Overlay District were adopted by Ordinance 117514 in 1995 (See Map 2 below), and the overlay applied to most of the neighborhood commercial zoned land (NC3 85, NC3 65, and NC3 40) located within the Pike/Pine Urban Center Village, as well as limited areas within the Seattle Central Community College Major Institution Overlay. Since the Pike/Pine overlay was established, the base Neighborhood Commercial zoning has been significantly modified by several amendments, with the result that several provisions of the base zoning now more closely match the modifications that the overlay was originally intended to achieve. In addition, these same amendments have had an unintended consequence on the overlay provisions by either eliminating certain standards or retaining standards that have become outdated. This oversight especially affects standards related to the street level environment on key pedestrian streets. When the overlay was originally established, the standards for the required commercial uses at street level were linked to standards established in the commercial code for mixed use development. However, this reference to the commercial code no longer exists, and due to numerous amendments over the years, the commercial code provides no indication of how development in the Pike/Pine area is to be addressed.

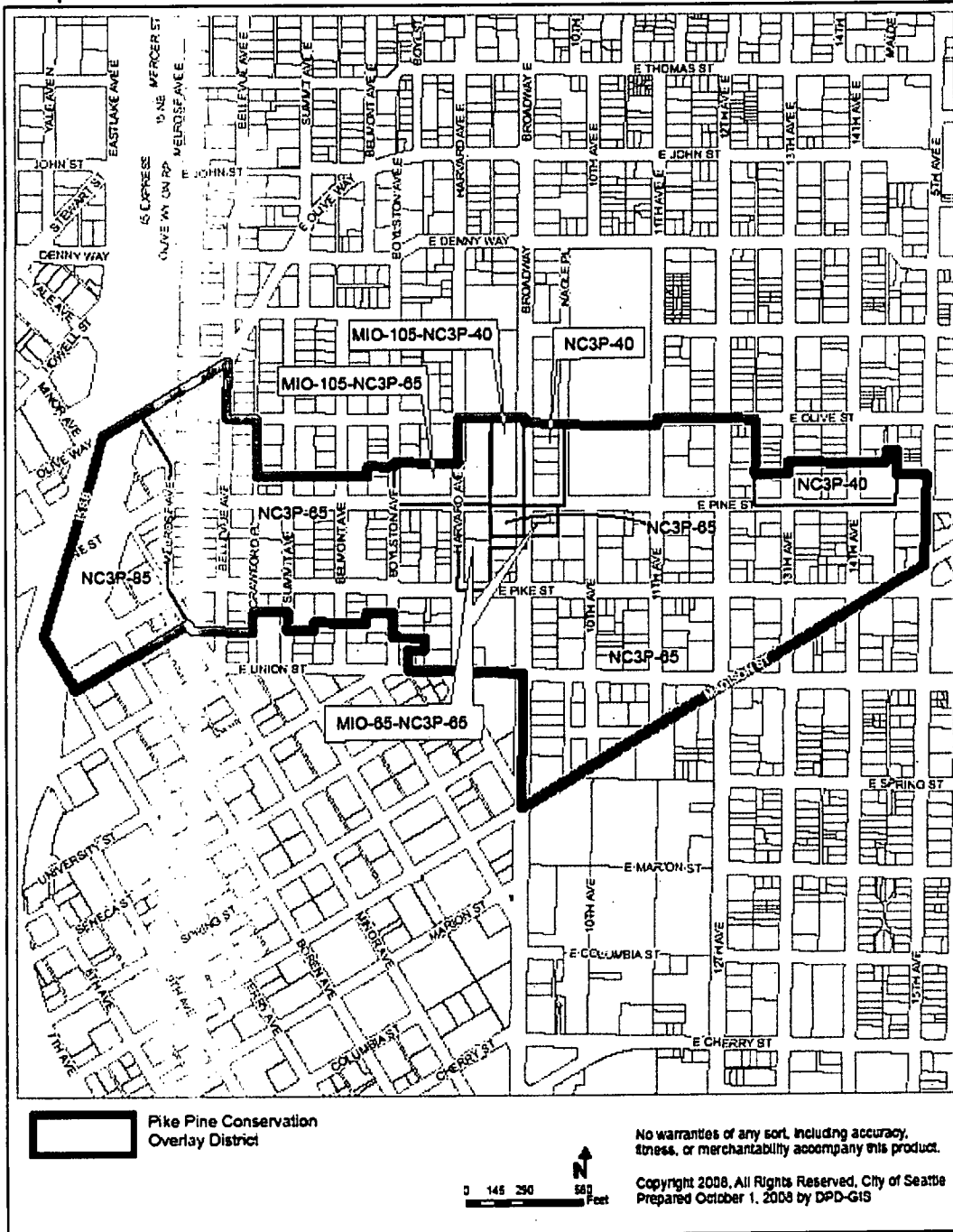
Proposal The proposal is to rezone the area within the overlay to an NC3P designation, while retaining the current height limits. The provisions of the NC3P designation promote development that is consistent with what the original Pike/Pine overlay was intended to achieve, and will provide a uniform base zone for the expanded overlay district proposed to include areas along Broadway and east of Broadway between Pike Street, 13th Avenue, and E. Madison Street (also currently zoned NC3P).

The proposed NC3P designation provides, as a base condition, the same treatment of residential-only and mixed use development originally dictated by the overlay. Essentially, mixed use is only required on mapped streets, and residential-only structures are permitted elsewhere and allowed bulk and density similar to mixed use projects. The limit on non-residential use, an important component of the overlay, would be retained, although the limit would be expressed as a floor area ratio (FAR) limit. Non-residential use would continue to be limited to 50 percent of the total floor area of structures exceeding 30 feet in height. The NC3P designation will also provide appropriate standards for the treatment of street level uses along designated pedestrian streets; standards that would replace those dropped from overlay through various amendments over the years.

Map 2

Proposed Pike Pine Conservation Overlay District

Map A for 23.73.004



Amend 23.73.004 Pike/Pine Overlay District established

- 1) Expand the boundaries of the overlay district to include existing NC3P areas along Broadway and NC3P and NC3 areas east of Broadway and south of Pike Street.
- 2) Rename the overlay as the Pike/Pine Conservation Overlay District.

Issue When the original boundaries of the Pike/Pine Overlay District were established, lots zoned NC3 65 and C2 65 on half-blocks abutting both sides of Broadway were excluded, as was a larger C2 65 area generally bounded by E. Pike Street, Broadway, E. Madison Street, and 13th Avenue. This area is shown on a map in Part 2 of this report on page 47 under Rezone Recommendation 2. Though non-contiguous with the other overlay areas, a small island of NC3 65 zoned land in this area, bounded by E. Madison Street, Broadway Court, E. Union Street, 10th Avenue, and E. Seneca Street, was included in the overlay. Since the Pike/Pine overlay emphasizes residential and mixed use development and limits floor area permitted for non-residential uses, these areas were intentionally excluded from the overlay to avoid creating non-conforming uses and because the emphasis on housing and the limit on non-residential floor area was not a priority for this area at the time.

Among the key strategies in the Pike/Pine Urban Center Village Neighborhood Plan, approved by the City Council in 1999, was a recommendation to extend the Pike/Pine Overlay to include the C2 65 zone to allow development of mixed-use structures, while retaining the automotive and manufacturing uses (Pike/Pine Plan Matrix Number: HS 1.0). While the overlay was never extended, in 2000, the C2-65 area was rezoned to NC3 65 P1 as an alternative (Ordinance #120004). A small NC3 area that was originally part of the overlay continues to be zoned NC3 65, but is no longer included in the overlay.

One reason cited for excluding the rezoned area from the overlay was to avoid a potential conflict with the Comprehensive Plan's employment growth target for the Pike/Pine Urban Center Village and the larger First Hill/Capitol Hill Urban Center. The overlay's limit on commercial use would reduce the amount of commercial floor area otherwise allowed under an NC3 65 zone designation, which would reduce the capacity for additional jobs in the area.

While the 1999 rezone from C2 65 to NC3 65 P1 was consistent with some of the objectives of the overlay, including the treatment of street level uses, it did not restrict the amount of commercial development permitted in the zone. Consequently, in this part of the Pike/Pine neighborhood, substantial commercial-only development continues to be permitted, which arguably conflicts with objectives to promote residential and mixed use development, and could add to pressure for redevelopment in an area where it is desirable to retain existing structures. This is an especially critical issue along E. Pike Street. The area north of the street is within the overlay, while the area across the street is not. The provisions of the overlay that promote a preferred type and character of development should apply to both sides of this critical neighborhood thoroughfare.

In 2006, as part of legislation implementing the citywide Neighborhood District Business Strategy, the area rezoned from C2 65 to NC3 65 P1 was rezoned again to a pedestrian designated zone, NC3P 65. The half-blocks facing Broadway zoned NC3 between E. Pike Street and north of E. Pine Street were also rezoned to the NC3P designation. The small area bounded by Broadway Court, E. Union Street, 10th Avenue, and E. Seneca Street remained an isolated

area of NC3 65 with no P designation. Overall, this action introduced more pedestrian-oriented standards for development abutting Broadway, while maintaining similar pedestrian-oriented standards established for much of the area through the rezone to NC3 65 P1 in 2000. In effect, development in these areas is now subject to higher standards for the treatment of the pedestrian environment than those that apply within the overlay.

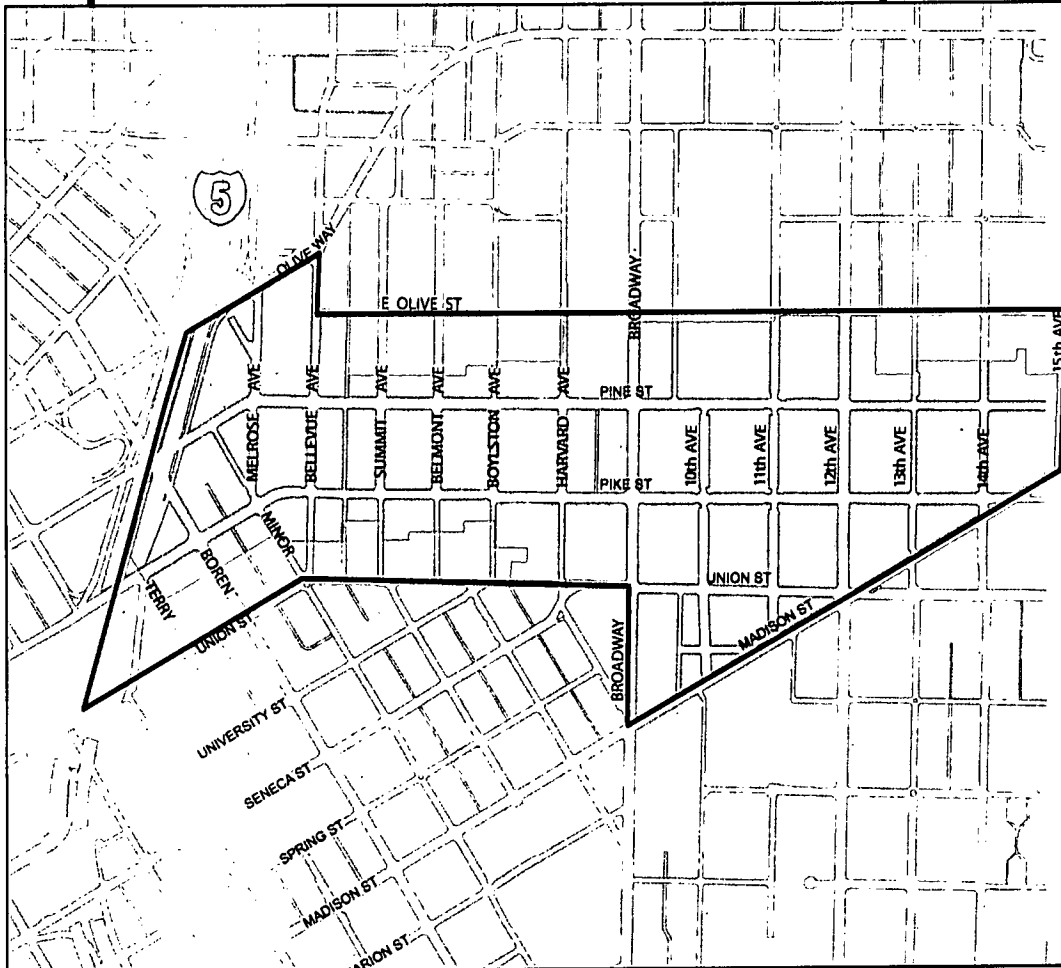
Proposal The boundaries of the Pike/Pine Overlay are proposed to include the area currently zoned NC3P 65 east of Broadway and south of Pike Street, as well as the remaining NC3 65 area that was included in the original overlay boundaries adopted in 1995 (See Map 3 below). Under the proposed amendments discussed in this report, broadening the scope of the overlay provisions to address conservation objectives makes it more important now to include these areas within the overlay boundaries because of the number of structures important to the character of the area located there. With the proposal to rezone the existing overlay area to NC3P, expanding the overlay will provide more consistent treatment of future development throughout the area, and, with the other amendments discussed below, apply uniform standards for promoting a high quality pedestrian environment.

The recommendation to expand the overlay takes into consideration DPD's earlier concern about the resulting reduction in commercial capacity and the potential impact on the ability of the Capitol Hill/First Hill Urban Center to meet the Comprehensive Plan employment growth target. However, in recent years, the First Hill/Capitol Hill Urban Center has outperformed most other areas of the city in meeting job growth targets. This growth is reflected in the major building programs being undertaken by all three medical centers on First Hill. The Comprehensive Plan calls for accommodating 5,836 jobs in Pike/Pine by 2024. Given 2006 data, Pike/Pine has 5,599 jobs, just 170 jobs short of meeting the 2024 target. Furthermore, the 2024 employment target for the entire First Hill/Capitol Hill Urban Center is 44,133 jobs, which requires an additional 3,265 jobs above the 2006 employment population of 40,868 jobs. According to the most recent capacity analysis, current zoning in the Urban Center provides capacity for an additional 7,553 jobs; sufficient to comfortably accommodate the 3,265 jobs needed to meet the target. Even if all the capacity for jobs attributed to Pike/Pine were lost, which would not be the case, the remaining capacity for 4,142 jobs elsewhere in the Urban Center would be sufficient to meet the target.



While the proposed expansion of the overlay boundaries is not expected to significantly reduce employment capacity for the Urban Center, additional amendments would slightly increase opportunities for commercial use in existing character structures,

Map 3

Proposed Pike Pine Conservation Overlay District



Proposed Pike Pine Conservation Overlay District

-  Proposed Pike Pine Conservation Overlay District
-  Pike/Pine Urban Village

Amend 23.23.61 Station Area Overlay District

Adjust boundaries of Capitol Hill Station Overlay District and eliminate the First Hill Station Area Overlay District to remove areas that overlap with the proposed Pike/Pine Conservation Overlay District.

Issue In 2001, to promote transit-oriented development at proposed light rail stations, the City Council established permanent station area overlay districts and standards (Ordinance 120452). The overlay districts for both the Capitol Hill/Broadway and First Hill Station Areas extend into the Pike/Pine neighborhood, overlapping in many areas with the Pike/Pine overlay. Station area overlay districts restrict some uses otherwise allowed by the underlying commercial zones that potentially conflict with transit oriented development, eliminate parking requirements, and allow increased density for development. The Code specifies that, if a conflict exists between the provisions of the station area overlay district and the Pike/Pine Overlay District, the provisions of the Pike/Pine Overlay District prevail. In most cases, the Pike/Pine overlay and the area's location within a designated Urban Center make the provisions of the station area overlay redundant. Furthermore, given amendments to the Pike/Pine Overlay over the years, especially regarding street level uses, residential-only development, and FAR limits (which originally did not exist in most zones when the Pike/Pine Overlay was established), it is not always clear whether the provisions are in conflict or not. Within the station area overlay districts, the greater development densities permitted could increase redevelopment pressure, which would conflict with the conservation objectives for the area.

Proposal The First Hill Station Area Overlay District, which has the greatest overlap with the Pike/Pine area, is proposed to be eliminated because the selected alignment for the light rail tunnel no longer includes a station at First Hill. This proposal would also adjust the boundaries of the Capitol Hill Station Area Overlay District to remove areas that overlap with the Pike /Pine Overlay District; generally a one-half to one block deep area between Pine and E. Olive Streets, from Summit Avenue to 13th Avenue. This proposal is discussed in more detail as part of the DPD proposed rezoning analysis, and maps of the rezoning areas are included in Part 2: Rezoning Analysis for Recommended Changes in Pike/Pine Urban Center Village, starting on page 29.

Amend 23.73.008 Uses

Delete existing provisions, retitle as “Uses at Street Level,” and revise as follows:

- 1) **Street Level Use Requirements.** Clarify and consolidate street level use requirements in the overlay area by rezoning the underlying NC3 zone to a Pedestrian designation (NC3P).
Within the proposed overlay area, designate E. Pine/Pine Street, E. Pike/Pike Street, and portions of E. Union Street, 10th, 11th, 12th, and 13th Avenues as principal pedestrian streets.
- 2) **Residential-Only Structures.** Replace current overlay provisions with the standards of the proposed NC3P zone, which already addresses treatment of single purpose residential structures and street level uses.
- 3) **Affordability Criteria for Residential-Only Development.** Remove the amendment to original overlay provisions that subjects residential-only development to affordability criteria.
- 4) **Commercial Use Limit.** Express the limit on non-residential use as a floor area ratio (FAR) limit in a new Section 23.49.009 Floor area ratio.
- 5) **Maximum Size of Commercial Use at Street Level.** Require that a portion of the floor area provided for commercial uses at street level in new buildings be limited in size, to encourage space for smaller businesses. Limit the street frontage width of street level uses in new development on Pike and Pine Streets.

1) Street Level Use Requirements

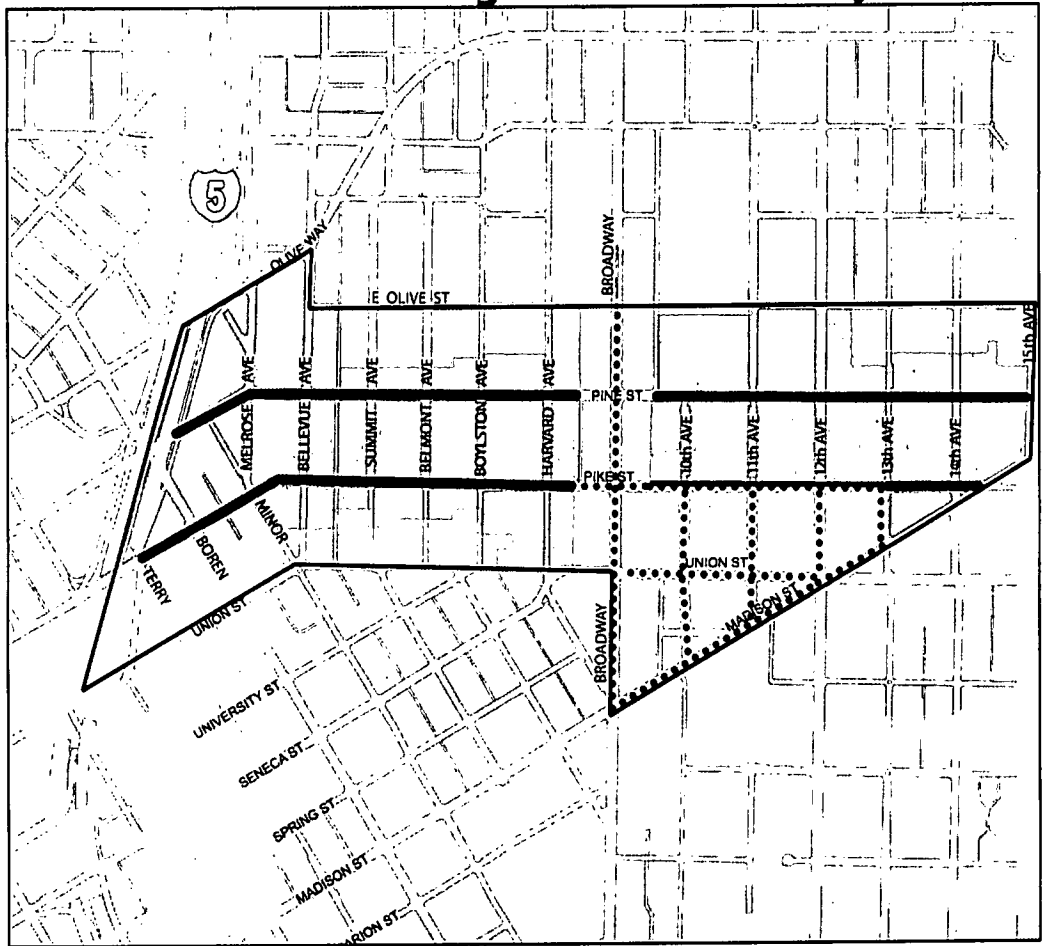
Issue The original Pike/Pine overlay included a requirement that commercial uses be provided at street level on mapped streets within the overlay area, including Pike/East Pike and Pine/East Pine Streets, and East Union Street east of Broadway (See Map 4 below). The range of permitted commercial uses was not specified in the overlay, but developments were required to meet standards for mixed-use structures prescribed in neighborhood commercial zones (23.47), which, at that time, addressed street level uses.

Ordinance 120004, adopted in 2000, included the rezoning of an area roughly bounded by Broadway, E. Pike Street, 13th Avenue, and E. Madison Street on the edges of the Pike/Pine overlay from C2 65 to NC3 65 P1. The rezone was introduced as an alternative to extending the Pike/Pine overlay to this area, as had been recommended in the neighborhood plan. Under the P1 designation applied to this zone, the street level of buildings fronting on streets designated as Principal Pedestrian Streets were required to be occupied by a specified range of uses considered to be most compatible with an active, pedestrian-oriented street environment. Most of the streets in the area were mapped at the time of the rezone as Principal Pedestrian Streets. It is not clear whether the portion of the overlay that applied to the small NC3 area east of Broadway Court between E. Union Street and E. Madison Street was removed from the overlay through this ordinance. In 2006, through the commercial code amendments implementing the Neighborhood Business District Strategy, this area and several half-blocks fronting on Broadway were rezoned to NC3P 65, a pedestrian designated zone with street level standards similar to the previous P1 designation. These changes have resulted in higher standards for the treatment of street level uses that apply to more streets in this area outside the overlay than within the overlay itself.





The 2006 amendments to the Pike/Pine overlay deleted the language requiring commercial uses at street level from 23.73.008, replacing it with a limit on the amount of residential use

Map 4

Existing Pike Pine Overlay District



Existing Pike Pine Overlay District

-  Existing Pike Pine Overlay District
-  Pike/Pine Urban Village
-  Commercial Uses Required at Street Level
-  Existing Principal Pedestrian Street

permitted at street level. The reference to Section 23.47 in the commercial code for standards for mixed use development was also eliminated, leaving only the legend on the map of the overlay (Exhibit 23.73.004A) to indicate where commercial uses were required at street level, without any reference to the specific uses that qualified as commercial uses or to standards that would apply to the street level of structures housing these uses.

Proposal The proposal to rezone the NC3 zones in the overlay area to NC3P would reintroduce more specific standards for street level uses within the overlay, consistent with recent changes to the commercial code intended to promote active pedestrian environments in mixed use areas. With the rezone and expansion of the overlay, the proposal would apply the same standards to all streets that require street level uses. Under the recently adopted commercial code amendments, these streets, identified as principal pedestrian streets in pedestrian-designated zones, are listed in 23.47A.005. Streets identified in the overlay that currently require commercial uses at street level would be added to this list of principal pedestrian streets, in addition to extensions of designated streets in the area proposed to be included in the overlay bounded by Broadway, Pike Street, 13th Avenue and E. Madison Street (see Map 5). Furthermore, for the Pike/Pine overlay area, performing arts space and arts facilities would be added to the list of uses allowed without restrictions at street level (23.47A.005E.1) to reflect neighborhood interest in promoting arts and cultural activities in the area.

The additional streets within the overlay proposed to be designated as principal pedestrian streets are extensions of north/south streets already designated as principal pedestrian streets in the area outside the overlay to the south, roughly bounded by 10th Avenue, East Pike Street, 13th Avenue, and E. Madison Street. Over the years, the Pike/Pine area east of Broadway, at least as far east as 13th Avenue, has evolved with almost continuous street level activity. While the presence of residential-only structures that the overlay sought to accommodate on north/south streets continues to be compatible with conditions in the overlay area west of Broadway where there is a stronger residential presence, it seems less appropriate for the area east of Broadway. Requiring street level uses throughout most of the area east of Broadway will continue to support the active pedestrian environment and entertainment/commercial district emerging there.

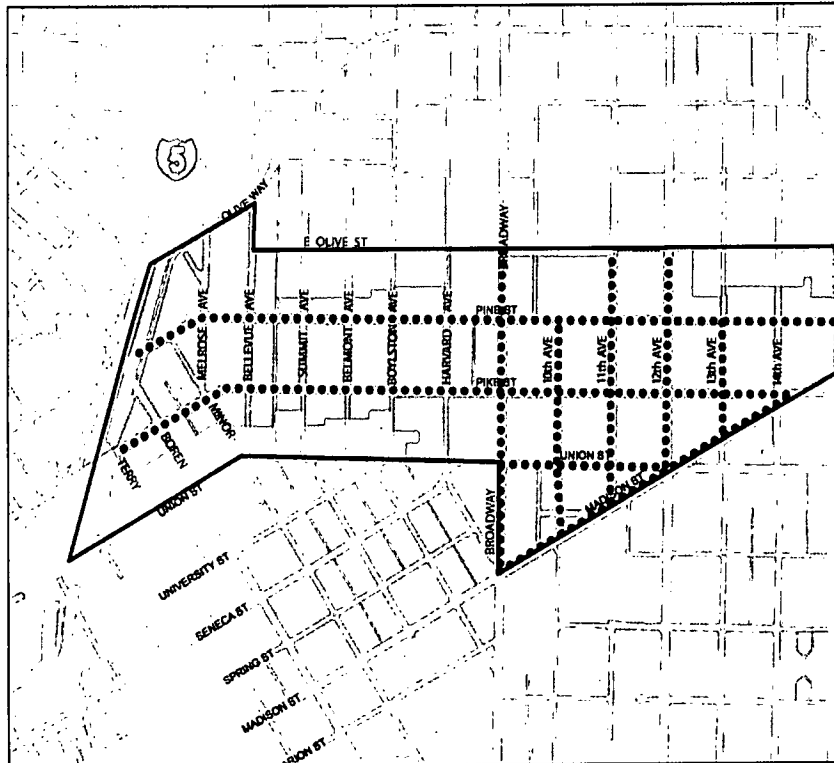
2) Residential-Only Structures

Issue One intent of the original Pike/Pine Overlay was to promote residential development in the area by modifying standards of the base commercial zoning to allow residential-only projects on lots that did not front on the major pedestrian/commercial corridors of Pike and Pine Streets. At the time, residential-only projects were only allowed as a conditional use and were subject to the more restrictive multifamily zone standards, while mixed use projects—defined as projects with a minimum amount of commercial use on the ground floor—were allowed much greater bulk and density. Consequently, to take advantage of the potential for greater bulk and density, mixed use development was essentially considered to be “required” everywhere. The overlay established that mixed use development would only be required along mapped streets, and residential-only development would be allowed elsewhere, with projects permitted bulk and density comparable to that allowed for mixed use development.

Amendments adopted in 2000 (Ordinance 120004) allowed the density limit that applied to residential-only projects to be eliminated for housing affordable to low-income households. In a later amendment, provisions for residential-only structures were again modified to limit this type of development to projects providing housing affordable to low-income households.

Map 5

Proposed Pike Pine Conservation Overlay District



MAP A for 23.73.008

Uses at Street Level

- Proposed Pike Pine Conservation Overlay District
- Pike/Pine Urban Village
- Principal Pedestrian Street

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Principal Pedestrian Street requires uses at street level that contribute to an active pedestrian environment

Because of this change, the overlay district now has more restrictions on residential-only development than the commercial zones outside the overlay, which clearly was not the intent of the original overlay.

Proposal The current provisions for residential-only structures in commercial zones adopted under the Neighborhood Business District Strategy in 2006 allow for the conditions that the original Pike/Pine overlay was intended to achieve—flexibility to accommodate residential-only projects in appropriate locations at a bulk and density comparable to that allowed for mixed use projects. Consequently, because the new standards in the base zoning are adequate for achieving the intent of the overlay, any additional provisions related to residential-only structures are proposed to be deleted.

3) Affordability Criteria for Residential-Only Development

Issue An amendment to the original provisions of the Pike/Pine Overlay District established a requirement that residential-only structures provide 40 percent of the units at rents affordable to households with incomes not exceeding 30 percent of 60 percent of the median income. At the time, provisions of the overlay allowed residential-only structures to achieve greater floor area and densities than in other commercial zones. Subsequent amendments to the Commercial Code have changed this relationship, allowing residential-only structures to be similar in bulk and density to what the Pike/Pine overlay allowed. However, Pike/Pine is the only area subject to these affordability criteria.

Proposal Eliminate affordability criteria to allow residential-only structures in the overlay area under the same conditions that apply in other commercial areas.

4) Commercial Use Limit

Issue When the Pike/Pine overlay was originally adopted in 1995, development in commercial zones with a height limit of 65 feet or less was not subject to an FAR limit. Commercial uses were allowed to the extent they could be accommodated within a building envelope prescribed by the height limit and applicable bulk provisions. To discourage large, commercial-only developments like office buildings and hotels, the overlay established a limit on the amount of non-residential use allowed in a project. Most of the overlay area was zoned NC3 with a 65 foot or 85 foot height limit. The non-residential use limit did not apply to structures 30 feet in height or less. However, for structures exceeding 30 feet in height, the amount of non-residential use allowed was limited to 50 percent of the total gross floor area of the project, or an area equivalent to the first two stories of a structure, whichever was less.

The 2006 amendments to the commercial code established FAR limits for all commercial zones. The current limit on non-residential use is somewhat cumbersome in that it may be overly constraining for projects that include more than one structure, and basing the limit on the area of the first two stories requires a building design to determine what the floor area limit is—which could vary considerably depending on the building footprint.

Proposal: Floor Area Ratio (FAR) Limit for Non-Residential Use. Establish the current limit on commercial use as an FAR limit, setting the limit at 2 FAR, which approximates the amount of floor area equivalent to that of a commercial structure 30 feet in height or less. Retain the standard that requires at least 50% of the total floor area of projects over 30 feet in height to be in residential use to maintain the residential emphasis in mixed use developments. Converting to an FAR standard allows for more uniform application and greater flexibility to accommodate a variety of building/design programs. This requirement would be moved to a new section (23.73.009 Floor area ratio) establishing provisions for floor area ratio (FAR) limits.

5) Maximum Size of Commercial Use at Street Level

Issue One of the valued characteristics of the Pike/Pine neighborhood is the diversity of small street level businesses that attract people to the area and enliven the streetscape. Many of these businesses are unique and locally owned, and a large share contribute to the area's art and cultural focus. There is concern that as the neighborhood redevelops these businesses will be displaced, and that the spaces provided in new developments are not likely to accommodate similar types of uses. The current overlay provisions address part of this issue by requiring new development to include commercial uses at street level along Pike and Pine Streets. The proposal goes further by extending the requirement to more streets in the area east of Broadway and by being more specific about the types of uses that can be located at street level. Ensuring that more space will be available as redevelopment occurs has the benefit of increasing the available supply of commercial space, which may help keep rents more affordable.

While the cost to rent space in a new building is a significant factor, there is also the issue of providing space suitable for smaller businesses, rather than catering to franchise clients with standardized space requirements and other tenants seeking large space. The chart below identifies the amount of street level commercial space proposed in recent projects. These figures reflect total space to be provided, and do not indicate the space allocated to individual businesses, which likely won't be known until tenants are secured and will change over time.

Square Footage of Street Level Uses in Recent or Proposed Projects

Project	Non-residential street level uses (square feet)
1605 Bellevue Ave	8,506
1623 Bellevue Ave	1,268
514 E Pine St	12,602
1620 Broadway	15,551
954 E Union St	7,800
1111 E Pike St	4,917
1121 E Pike St	5,247
1205 E Pine St	5,020
1531 Broadway	11,000
1125 E Olive St	3,490
401 E Pike St	3,809
1424 11 th Ave	6,148
1222 E. Madison St.	6,113

Of these recent projects, the largest retail space is in the 1620 Broadway project, now occupied by a chain pharmacy. To date, the Pike/Pine area has not experienced a significant intrusion of "formula" restaurant or retail uses. The Harvard Market at Broadway and Pine has the greatest concentration of such uses in one project, including a chain grocery store, pharmacy, fast food restaurants and other uses that are a combination of both franchises and local businesses. Otherwise, franchises in the area seem to be limited to branch banks, Blockbuster Video, coffee

shops, and a few restaurants, such as International House of Pancakes and Kentucky Fried Chicken (which has recently been replaced). More recent projects also seem to be occupied by a variety of uses, most of which are compatible with the existing mix. Lack of parking, the size of new development, a large local client population, and current restrictions on drive-in businesses may all be factors that have served to limit “formula” retail and restaurant uses at present.

Proposal: Size of Use Limit. In addition to ensuring available street level space in more projects developed in the future by requiring street level uses on more streets, the proposal would also require space for smaller businesses in new projects that provide more than 5,000 square feet of commercial space at street level. For projects exceeding this limit, half the space must be provided for businesses limited to 2,000 thousand square feet or less. For projects complying with this limit, the floor area occupied by street level uses is exempt from FAR calculations. The size limits would not apply to street level uses in existing structures.

Proposal: Maximum Street Level Frontage of a Single Business. To further maintain the pattern of multiple uses on street fronts, the maximum street frontage for an individual business in a new structure on Pike or Pine Streets would be limited to 50 feet. A business with a street frontage of 50 feet may extend further if separated from the street by another business or a different use with separate access to the street. To allow existing structures to remain adaptable to the widest variety of uses, these requirements would only apply to new projects.

Establish a New Section for FAR Provisions (23.73.009 Floor Area Ratio¹)

- 1) Express the limit on non-residential use as an FAR limit
- 2) Provide incentives to encourage certain uses through exemptions from FAR calculations

Issue When the Pike/Pine Overlay was originally adopted, commercial zones with height limits below 85 feet were not subject to floor area ratio (FAR) limits. Consequently, any limits on particular uses were addressed through bulk controls or other measures. The 2006, amendments to the Commercial Code established FAR limits for all uses in all commercial zones, which vary by height district. In the Pike/Pine Overlay, FAR limits now apply throughout the underlying NC3 zoning. A key component of the original Pike/Pine overlay was a limit on the amount of non-residential use allowed in a project. As discussed above, this limit is proposed to be expressed as an FAR limit to make the standard easier to apply. Furthermore, the proposal to expand the overlay to include areas along Broadway and further east raises the issue of whether the same limit on non-residential use should apply to these areas. One of the reasons cited for rejecting past proposals to expand the overlay was a concern that restricting commercial density might hamper the area’s ability to meet employment growth targets. This issue is discussed in more detail under the proposal to expand the overlay boundaries. Furthermore, by expanding the scope of the overlay to include measures that promote the conservation of existing neighborhood character, the use of FAR provides new opportunities to encourage certain uses and development actions.

Proposal Proposals related to FAR are discussed in detail in other sections of this report. In general, the limit on non-residential use would be presented as an FAR limit, but the provision

¹ FAR, or floor area ratio, is the ratio of gross floor area in a building to the total area of the land on which it is built. If a one story building takes up the entire lot, the floor area ratio is 1:1 or 1.0 FAR. A two story building that occupies half of the lot also has a floor area ratio of 1:1 or 1.0 FAR.

that non-residential use cannot exceed 50% of a project's total gross floor area would continue to apply. To encourage certain uses and activities, these uses are proposed to be exempt from FAR limits under specified conditions. The FAR exemptions are discussed in more detail below.

Added Flexibility for Retaining Existing Structures

- 1) Exempt character structures maintained on a development lot from the calculation of the floor size limit and street frontage limit.
- 2) Exempt character structures and limited additions to these structures from limits on non-residential use.
- 3) Exempt residential uses from FAR calculations in projects that maintain specified character structures on a lot.
- 4) Provide a height exception for projects that maintain specified character structures on the lot.
- 5) Exempt residential use from FAR calculations on lots of 8,000 sq. ft. or less to encourage development on small lots not occupied by housing or character structures.

Issue Changing the underlying zoning from NC3 to NC3P will re-establish provisions addressing mixed use and residential development that are consistent with the intent of the original Pike/Pine Overlay. A new purpose of the overlay will be to promote neighborhood conservation objectives. A key conservation issue is maintaining existing buildings that contribute to the established architectural style, scale, and development pattern of the area.

About 75 percent of the buildings in the Pike/Pine neighborhood were constructed prior to 1930. There are approximately 208 structures on 158 parcels within the overlay area that are 75 years old or older, according to King County Assessor data. Over 60 structures are included in a Department of Neighborhoods historic resource inventory, including 23 structures identified as warranting further consideration for potential Landmark designation. Many of these structures were built to accommodate the city's pioneer automobile sales and service activity. Also, about 50 structures, including 18 structures on the historic resource inventory, are identified as potential unreinforced masonry structures that may require substantial reinvestment for seismic upgrades. As the area experiences continued development pressure, these structures are increasingly at risk. These conditions pose a challenge to balance the objective of protecting existing building resources while continuing to allow for redevelopment and reinvestment to sustain the area's economic vitality.

Proposal Several provisions described below encourage developers to include an existing structure as part of a new project, while avoiding conditions that might otherwise create a disincentive to saving an old building. To target buildings that are the best representatives of the historic scale and pattern of development, the proposed ordinance introduces the term "character structure," which is defined as a structure that has existed in the area for 75 years or more—essentially covering development from the period associated with the area's heyday as Seattle's pioneer automobile sales and service center. Added height and FAR exemptions would be available to projects maintaining any character structure, except that a project that demolished a designated Landmark or any of the 48 structures identified in the Department of Neighborhood's historic resource inventory would not be eligible for these incentives.

1) Exempt Character Structures from Floor size Limits and Street Frontage Limits Limiting the size of the upper floors and the width of street frontage permitted on Pike and Pine Streets could discourage new projects from including an existing structure if it caused the project to

exceed the limit. To address this potential conflict, projects that include an existing structure can exclude the floor area of that structure from the calculation of the floor size limit and the limit on width for structures abutting Pike or Pine Streets. These provisions allow flexibility to retain the presence of a structure, while accommodating new uses. A balance is required to avoid the unintended consequence of making it attractive to demolish structures or maintain only a few features in order to benefit from the added flexibility. Positive examples of existing structures successfully incorporated in a new project include the Agnes Lofts/Balagan Theater (1115-1121 E. Pike Street), Trace Lofts, Crawford Condominiums (607 Summit Avenue), and a proposed development at 1205 E. Pine Street that incorporates the street facing facades of the Foley Sign building (McAlpin Schreiner Company).

2) Exempt Character Structures from Non-Residential Use Limits Most character structures in Pike/Pine are relatively small. They are generally on single lots and are three stories or less in height. However, based on County Assessor data for lot size and existing gross floor area, almost half of these structures have FARs in excess of 2.0. Since these structures were typically built for commercial purposes, it is appropriate to allow them to continue to accommodate non-residential uses, especially if such action would help them remain economically viable. Under the proposal, character structures would be exempt from the limit on non-residential use. Furthermore, limited additions would also be permitted and exempt from the limit.

3) Exempt Residential Use from FAR Calculations in Projects Retaining a Character Structure To encourage maintaining existing structures, new projects that include a character structure would be exempt from the FAR limit on residential use. In the most prevalent underlying zone of the overlay, NC3-65, the maximum FAR limit is currently 4.25 for residential use and 4.75 for mixed use. Except for smaller lot developments, most recent projects and projects planned under current provisions do not currently reach the FAR limit for residential use, as indicated on the chart below.

Achieved FARs in Recent or Proposed Projects

Project	FAR		
	Non-residential FAR	Residential FAR	Total FAR*
1605 Bellevue Ave	1.05	3.44	4.49
1623 Bellevue Ave	1.0	3.43	4.43
514 E Pine St	0.54	2.6	4.25
1620 Broadway	1.12	3.14	4.26
954 E Union St	0.4	3.6	4.66
1111 E Pike St	0.9	4.2	5.1
1121 E Pike St	1.0	4.6	5.6
1205 E Pine St	0.35	3.66	4.35
1531 Broadway	0.77	2.9	3.68
1125 E Olive St	0.24	3.58	3.8
401 E Pike St	0.54	4.3	4.84

*total FAR may exceed sum of the FARs for non-residential and residential uses because of floor area not accounted for, such as enclosed above grade parking, service areas, etc.

By itself, this provision may benefit developments on smaller lots by allowing projects to add floors above an existing building. However, the potential incentive value may be increased for more sites when coupled with the height incentive described below.

4) Height Exception for Projects Maintaining a Character Structure This proposal allows an additional 10 feet of height above the 65 foot height limit for projects that maintain a character structure. Currently, the Pike/Pine Overlay allows an additional four feet above the 65 foot height limit for projects providing higher ceiling heights for ground floor commercial uses, but the added height cannot be used to accommodate an additional floor. This proposal would allow the added height to be used to accommodate an added residential floor. However, the additional 10 feet allowed by this exception could not be added to the four feet currently allowed. The maximum height that could be achieved is 75 feet, which would accommodate a seven story structure with six residential floors with floor to floor heights of 10' each above a 15 foot street level floor. The benefit of this provision will depend on the type of construction used; Type IIIA construction would be required by the Building Code for structures of this height, which requires more highly rated fire-resistive materials above a concrete base and is more expensive than the more common Type VA construction with 5 floors of wood frame above a one-story concrete base.

With the added height and FAR exemption allowed for projects that include a character structures, the achievable FAR may exceed the current FAR limit of 4.75 that applies to a mixed use project. However, the added FAR would not likely exceed the 5.75 FAR limit that applies to development in an NC3 65 zone within a station area overlay district.

5) Exempt Residential Use From FAR Calculations On Small Lots Allowing more intensive development of smaller lots that are vacant or occupied by parking promotes smaller-scaled development that is more easily "absorbed" into the existing development pattern. Incentives for small lot development could provide an alternative to assembling lots into larger development sites. Accommodating more of the development demand on small lots could relieve some of the pressure for redeveloping lots occupied by character structures. Conditions in the Pike/Pine area, including the fact that no parking is required, make smaller lots more developable than at other locations.

The proposal would exempt residential use from FAR limits on lots of 8,000 square feet or less—generally a size that is just slightly larger than a single platted lot. More than half the lots in the area are 8,000 square feet or less. However, many of these lots are occupied by character structures and would not qualify for this exemption, since the incentive would not be available on lots where development would result in the removal of a character structure.

To estimate the additional floor area possible on a small lot by removing the FAR limit, a development on an 8,000 square foot lot in an NC3 65 zone is assumed to have two floors at 100% coverage, and four floors at 85% coverage, for a total floor area on 43,200 square feet, which translates to 5.4 FAR. Achieving an FAR of this magnitude assumes substantial lot coverage of the upper floors; a condition that may be limited to corner lots or very shallow lots where all units would have access to street frontage.

Currently, the FAR in NC3 65 for mixed use development is 4.75, except that within a station area overlay (a large portion of which is proposed to be removed from the Pike/Pine area because the First Hill station is not going to be constructed) allows a 5.75 FAR. Prior to the 2006 amendments, NC3 65 zones were not subject to an FAR limit, and through design review could

exceed the coverage limits that applied at the time to the upper floors of a structure. Two small-lot projects developed in Pike/Pine under these provisions, 1111 and 1121 E. Pike Street, achieved floor areas equivalent to over 5.0 FAR. Under the proposal, FARs could exceed the current FAR limit of 4.75 by as much as 15%; in the example prototype described above for an 8,000 square foot lot, this additional floor area may be enough to gain up to as many as five to six extra units.

Incentives for Art and Cultural Facilities:

- 1) Exemptions from FAR limits and non-residential use limits for space occupied by arts facilities and performing art theaters.
- 2) Specifying arts facilities and performing art theaters as permitted street level uses

Issue In addition to the character established by the existing collection of early 20th century commercial structures, much of Pike/Pine's character is derived from the unique diversity of uses and activities accommodated in the neighborhood. Of particular note are uses related to art and cultural activities, including performing arts theater and space for arts organizations. Many of these uses are operating on the margins, and due to increasing development pressure are vulnerable to displacement.

A related effort that affects Pike/Pine is the work of the Cultural Overlay District Advisory Committee, or CODAC. The City Council established this committee in June 2008 to devise creative ideas for the long-term promotion and preservation of cultural, arts, and entertainment activities and spaces in Seattle neighborhoods. CODAC includes three representatives from Pike/Pine. The Committee is considering the Capitol Hill/First Hill Urban Center, which includes Pike/Pine, as a pilot for its initial recommendations, which were presented to the Council on September, 2008. Additional information about CODAC is available at: <http://www.seattle.gov/council/codac/default.htm>.

Proposal Exempt the floor area occupied by performing arts theaters and arts facilities (defined as a facility with one of more not-for-profit organizations dedicated to the creation, display, performance or screening of art for members of the general public) from the calculation of floor area subject to FAR limits. Arts facilities, and performing arts theaters would also be identified as permitted uses at street level on designated principal pedestrian streets to ensure that these uses can be accommodated throughout the overlay area.

Additional measures that address arts and cultural facilities through the provisions of the overlay may be considered in a later phase as follow up to recommendations from CODAC.

Amend 23.73.010 to add new standards for maintaining a scale and character of development compatible with the historic character of Pike/Pine, as follows:

- 1) Limit on the size of the upper floors of new development
- 2) Limit on the width of structures fronting Pike and Pine Streets

Issue: Size of Upper Floors. The Pike/Pine Neighborhood Plan is a plan that accommodates change. However, recent development and the increasing number of proposed projects raise concerns about the amount and rate of change that the neighborhood can absorb without losing the essential qualities that define its unique character. A large part of the area's physical character is related to the varied mix of buildings that collectively create a more or less consistent pattern of development. Recent projects that have had the greatest impact on the character of the area are those built on lots extending for an entire block-front, resulting in the loss of an entire street frontage of smaller scale structures and the mix of uses that occupied them.

In addition to providing incentives to maintain existing structures, the proposed amendments also address issues related to the scale of new development and how new buildings fit in with the historic development pattern. Two major development standards are proposed: 1) a limit on the size of the upper floors of new development and 2) a limit on the amount of frontage new development can occupy along Pike and Pine Streets. Combined, these standards promote more incremental change in the area, with the scale of future development more compatible with existing conditions, so that the changing development scene continues to be mixed and varied.

In defining a scale of development that is compatible with existing developed conditions, DPD staff investigated several factors, including the current block and platting patterns, the scale of existing structures, and the scale of projects recently developed in the area. A presentation of this analysis is provided in Appendix B.

1) Limit on the Size of Upper Level Floors in New Development

Proposal: Under the proposal, the floors in portions of a new structure above a height of 35 feet would be limited to a maximum size of 15,000 square feet. To maintain the established development pattern characterized by buildings ranging between one and three stories in height that abut to form continuous street facades, there is no limit proposed for the floors below 35 feet in height (about three stories). The proposed limit on the size of upper floors allows the taller portion of a structure to accommodate floor area roughly equivalent to the area of two platted lots—about the size of the lots occupied by the largest older structures in the area. As a result, the lower floors of future development will maintain the low, uninterrupted profile of the established street wall, while the taller portions of structures are limited in size to be more compatible with the overall scale of development in the area.

Development on larger lots will be required to provide a minimum separation of 40 feet between portions of upper floors that exceed the size limits. For comparison, the separation between portions of the structures in the Braeburn project at 15th and Pine Street that exceed 35 feet in height is about 34 feet. While the proposed standards do not limit the size of a development lot, the optimal conditions for development would be on smaller lots of 18,000 square feet or less, where separation between the upper portions of the structure would not be required. However, where larger lots are developed, the separation of the upper portions of the structure would limit the scale of the taller portions of the structure while providing variation in

the height of the structure. An assessment of the impacts of these standards on development conditions is provided in Appendix C.

The proposal allows some flexibility in the floor size limit to encourage new development to retain existing structures. For projects that retain a character structure on the lot, or portions of a character structure under prescribed conditions, a 25 percent increase in the floor size limit is allowed, from 15,000 square feet to 18,750 square feet. Furthermore, a 15 percent increase in the floor size of upper stories, from 15,000 square feet to 17,250 square feet, is allowed under other specified conditions, such as including street level courtyards that reduce the appearance of a structure's bulk or accommodating certain uses with special space needs, such as a performing arts theater. To avoid encouraging large lot assembly, a limit of 30,000 square feet is set on the maximum size of a lot that can qualify for these exceptions. This limit on lot area excludes area occupied by a character structure that remains on the lot.

The size of development permitted under these standards is intended to balance objectives to promote development that is compatible with the existing development context, while also being able to accommodate projects that are large enough to be able to absorb the added expense of maintaining existing structures as part of the development.

Issue: Street Frontage Over the years, the original platting of lots in the area has served to limit the width of structures. The longest dimension of the lots generally runs parallel to the east/west streets, resulting in lot frontages along the north and south sides of Pike and Pine Streets that are typically 100, 105 or 128 feet. On some block fronts, the original lots have been replatted to increase the number of lot frontages on the street, resulting in narrower parcels; in some cases as narrow as 35 and 40 feet. Lot frontages along the north/south streets are typically platted 50 or 60 feet wide, and these individual lots have frequently been combined to create larger development sites.

Many commercial areas located outside of Pike/Pine are platted with alleys that limit the street frontage of an individual structure. An alley vacation is required to enable a project to extend the full length of the block. However, only a few blocks in Pike/Pine are platted with alleys. As development pressure has increased in the area, and larger sites have been assembled, it is possible for new development to occupy the full length of the block, introducing a very different development scale. The Harvard Market at E. Pike Street and Broadway provides one example. However, the structure's low height relative to what the zoning allows somewhat offsets the impact of this otherwise significant departure from the more prevalent development scale.

A more recent project permitted on E. Pine Street raises similar concerns about scale, in part because the proposed structure would occupy a full block front at the maximum height limit of six stories, but also because development of the site required the demolition of five structures and the loss of a half-dozen or more small, local businesses. Also, at the eastern edge of the Pike/Pine neighborhood, the Braeburn mixed-use project provides another example of a large lot development (50,000 square feet). In this case, part of the project is built to the maximum height limit of 65 feet (due to the fact that the lot is in both a 40 foot and 65 foot height district). However, the fact that the project consists of multiple structures at different heights moderates its overall bulk and impact on neighborhood scale.

2) Maximum Structure Width

Proposal: To maintain the current development pattern with multiple structures occupied by a variety of street level uses along block fronts, the maximum width of the portion of a new structure abutting Pike or Pine Streets would be limited to half the width of the block frontage. Structures could exceed this width limit, provided that any extended portions are separated

from the street frontage by an existing structure. This limit would not apply to the Pike and Pine Street frontages of lots on the narrow blocks abutting Crawford Place.

Amend 23.55.030 Signs in NC3, C1, C2 and SM zones to prohibit certain types of signs in the Pike/Pine Conservation Overlay District.

Issue The distinctive flavor of the Pike/Pine business district derives from the diversity of businesses in the area. There is a strong desire to support businesses that have been in the area for a long time and reflect the neighborhood's history, local businesses that are unique, and businesses that cater to various communities, such as the gay community and arts community, and reinforce the area's unique identity. While the intrusion of "franchises" and "formula businesses" has been limited, there is concern that these uses could change the flavor of the area. The proposed limits on development scale, additional flexibility for existing structures, and requirements to include smaller spaces for street level commercial uses in new development are intended to maintain conditions that favor the type of activities currently supported in the area. A further step is to restrict certain features that are identified with the types of businesses that are less desired, such as the types of signs that are generally associated with these businesses.

Proposal Section 23.55 of the Land Use Code establishes regulations on signs. The proposal is to amend this section to prohibit internally illuminated cabinet signs and backlit awning signs within the proposed Pike/Pine Conservation Overlay District. A cabinet sign is a sign that contains all the text and symbols within or upon a case that encloses lighting. A backlit awning sign is a sign consisting of vinyl or painted letters on an awning, illuminated by a light inside the awning.

Part 2: Rezone Analysis for Recommended Changes in Pike/Pine Urban Center Village

Project Introduction

This portion of the report analyzes the following four rezone proposals related to the Pike/Pine Overlay District in the Pike/Pine neighborhood on Capitol Hill and (See Map C1) and the First Hill Station Area Overlay District:

1. **A recommendation to apply the P Zone designation to areas currently zoned NC3 within the original boundaries of the Pike/Pine Overlay District.** Many of the conditions that the Pike/Pine Overlay District was originally intended to achieve by modifying the underlying NC3 zone standards are now addressed by the provisions of the Pedestrian-designated (P) zone established in 2006 as part of the commercial Land Use Code amendments. To ensure consistency with these new provisions and address outdated and inoperative provisions of the overlay, the Pedestrian designated P (NC3P) zone is proposed to replace the NC3 zones within the Pike/Pine Overlay. A small area zoned NC3 65 bounded by Broadway Court, E. Union Street, 10th Avenue, and E. Seneca Street, which was originally included in the Pike/Pine Overlay but has since been removed, is now surrounded by NC3P 65 zone and is also proposed to be included in this rezone. The underlying NC3 zones of the Pike/Pine Overlay District that are also within the boundaries of the Seattle Central Community College Major Institution Overlay (MIO) would also be rezoned to the NC3P designation. Abutting MIO areas along Broadway outside the existing Pike/Pine Overlay boundaries already have the underlying NC3P zone designation.

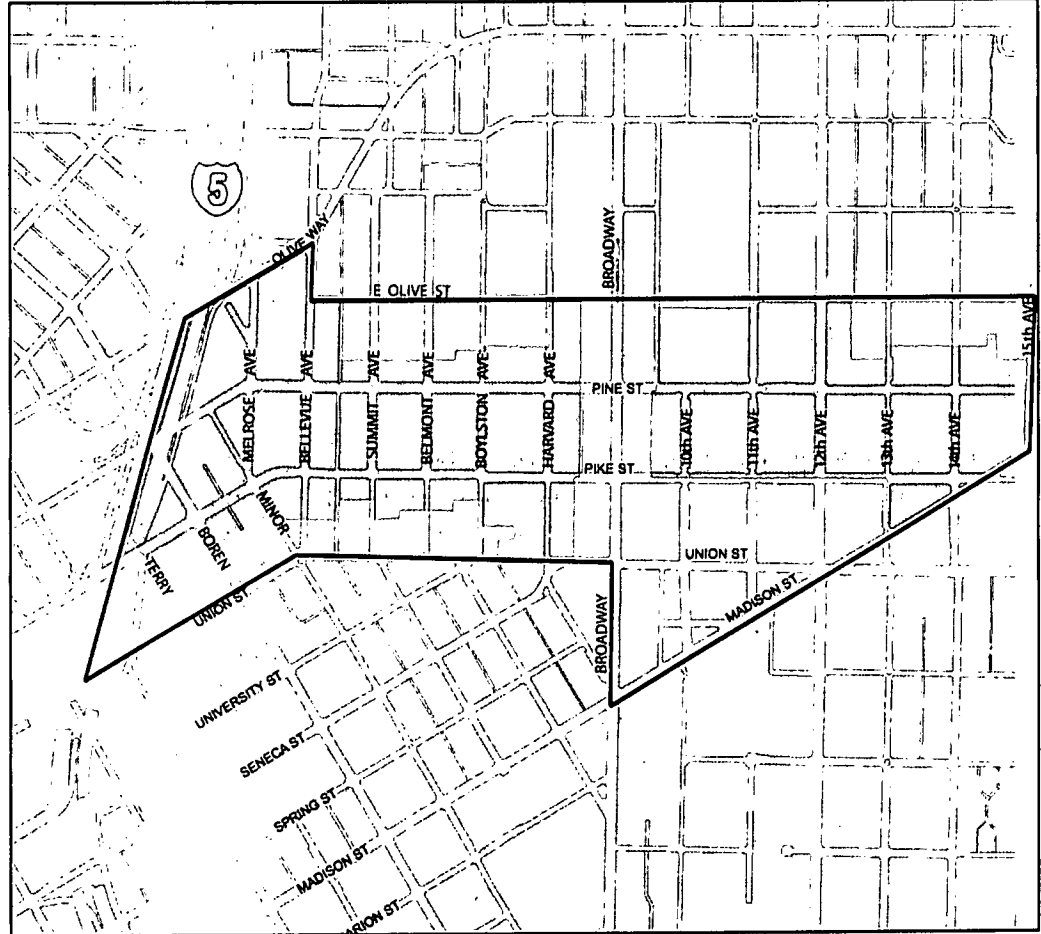
In conjunction with the rezone to the Pedestrian-designated P zone, the "principal pedestrian street" designation is proposed for segments of Pike Street, E. Pike Street, Pine Street, E. Pine Street, 10th, 11th, 12th, and 13th Avenues within the existing Pike/Pine Overlay boundaries.

2. **A recommendation to extend the Pike/Pine Overlay to include the existing NC3P 40 and NC3P 65 zones along Broadway and the NC3 65 and NC3P 65 areas further east bounded by Broadway, E. Pike Street, E. Madison Street and 13th Avenue.** The Pike/Pine Overlay is proposed to be expanded to include abutting areas designated as (P) zones (NC3P 40 and NC3P 65) under the 2006 amendments. A uniform underlying zone throughout the overlay area will ensure consistent treatment of future development and allow for more effective application of the Overlay provisions. Amendments to the Pike/Pine Overlay to be considered under separate legislation address neighborhood conservation objectives that are applicable to the area proposed to be incorporated into the overlay.
3. **A recommendation to remove the Capitol Hill Station Area Overlay District from NC3 and NC3P zoned lots within the proposed boundaries of the Pike/Pine Overlay District.** The provisions of the Capitol Hill Station Area Overlay District (SAOD) are redundant and potentially conflict with the provisions of the Pike/Pine Overlay. Since the Code establishes that the provisions of the Pike/Pine Overlay prevail where there are conflicts with the SAOD, and the Pike/Pine Overlay addresses the same conditions covered by the SAOD as they apply in this specific neighborhood context, the SAOD does not serve a purpose and is recommended to be removed.
4. **A recommendation to remove the First Hill Station Area Overlay.** The overlay is proposed to be eliminated entirely since the light rail station will not be built and underlying zoning largely promotes the same development as would result from the additional provisions in

the Station Area Overlay, namely a high-density, mixed-use neighborhood near downtown. Therefore, the Station Area Overlay District does not serve its expressed purpose and is recommended to be removed.

Map C1

Existing Pike Pine Overlay District



Existing Pike Pine Overlay District

- Existing Pike Pine Overlay District
- Pike/Pine Urban Village

Background

The Pike/Pine Overlay District was established in 1995 in response to a neighborhood planning initiative. The overlay was intended to prevent high density commercial development from encroaching eastward across Interstate 5 from downtown into the Pike/Pine neighborhood. The overlay modified the base commercial zones to limit commercial development, favoring mixed use and, under specified conditions, allowing residential-only development. It also established requirements for commercial uses at street level along major pedestrian corridors and prohibited certain uses, such as drive-in businesses, that conflicted with the desired pedestrian orientation of a high density mixed use neighborhood. In 2001, the Station Area Overlay Districts established for both the proposed First Hill and Capitol Hill light rail stations overlapped with a large portion of the Pike/Pine Overlay District and added provisions supporting high density pedestrian and transit oriented development.

In 2006, the commercial chapter of the Land Use Code was amended to implement the Neighborhood Business District Strategy. A key recommendation of the Neighborhood Business District Strategy was to identify, promote, and protect pedestrian-oriented commercial street fronts in neighborhood business districts. To preserve or encourage compact, pedestrian-oriented neighborhood centers and remove unnecessary obstacles to residential uses at street level, a new Pedestrian-designated (P) zone was established, combining the earlier P-1 and P-2 overlays into one P Zone overlay. Commercial areas which had included P-1 and P-2 pedestrian overlays were reclassified as Pedestrian-designated (P) zones. P designated zones require non-residential uses at street level along designated principal pedestrian streets, while allowing residential uses at the ground floor of buildings not located on these designated streets.

Because the Pike/Pine Overlay included provisions similar to the P-1 and P-2 Overlays, these pedestrian overlays were never applied to NC3 zones within the overlay boundaries. Consequently, the underlying NC3 zoning was not changed to the Pedestrian-designated (P) Zone in 2006 when other commercial areas with P1 and P2 overlays were re-designated as P zones. However, in 2000, an area on the outside edges of the Pike/Pine Overlay District bounded by Broadway, E. Pike Street, 13th Avenue, and E. Madison Street was rezoned from C2 65 to NC3 65 P-1. The rezone was introduced as an alternative to extending the Pike/Pine overlay to the area, as had been recommended in the Pike/Pine neighborhood plan. The P-1 designation required street level uses in new projects along streets designated as Principal Pedestrian Streets, and most of the streets in the area were mapped at the time of the rezone as Principal Pedestrian Streets. Because the area had a P-1 overlay, it was included among the P-1 and P-2 overlay areas rezoned to a pedestrian designated zone (NC3P 65) in 2006, along with the half-blocks facing Broadway between E. Pike Street and north of E. Pine Street, also outside the Pike/Pine Overlay, that were previously zoned NC3. This action introduced more pedestrian-oriented standards for development abutting Broadway, while maintaining standards for pedestrian-oriented development that had been established for much of the area through the rezone to NC3 65 P1 in 2000. In fact, the standards for pedestrian-oriented development that now apply in both these areas outside the Pike/Pine Overlay are stronger and clearer than those that now apply to development within the overlay itself.

The first proposal analyzed in this report is the rezone of the NC3 zones within the Pike/Pine Overlay to the NC3P pedestrian designation, consistent with the action taken in the abutting area under the 2006 amendments. The second proposal analyzed is the expansion of the Pike/Pine Overlay to include the abutting areas already rezoned NC3P in 2006, and a small NC3 65 zone remaining in the area. Since the Pike/Pine overlay was established, Neighborhood

Commercial zoning has been significantly modified over the years, resulting in provisions that now closely match what the overlay was originally intended to achieve. As a base zone, the proposed NC3P designation would provide the same treatment of residential-only and mixed use development originally dictated by the overlay; essentially, mixed use is only required on mapped streets and residential-only structures are permitted elsewhere under similar bulk and density standards. With the standards established for designated principal pedestrian streets, the new P-zone can replace the Overlay's vague provisions regarding required commercial uses at street level on existing mapped streets, which include Pike, East Pike, Pine, and East Pine Streets, and East Union Street east of Broadway. While both the P zone designation and the Station Area Overlay provisions waive some or all parking requirements to encourage businesses to locate in an area, the Pike/Pine Overlay Area is located within an Urban Center where parking in commercial zones is now no longer required for any use.

The NC3P designation will provide a base zone with standards that closely match those of the original Pike/Pine overlay, as well as provide a consistent base zone for the expanded overlay district proposed to include areas along Broadway and east of Broadway between Pike Street, 13th Avenue, and E. Madison Street (currently zoned NC3 and NC3P). With a base zone that addresses many of the issues the Overlay was originally created to resolve, DPD is recommending that the provisions of the Pike/Pine Overlay be redirected to a new purpose, which is to promote the conservation of the area's unique neighborhood character

Analysis for all four rezone actions

The NC3 areas currently within the boundaries of the Pike/Pine Overlay were evaluated against the criteria for establishing a P Zone (SMC 23.34.086) as well as against general criteria for a rezone (SMC 23. 34.008). No changes to current mapped height limits are proposed.

Criteria for establishing a P Zone (23.34.086)

When considering an area for a P Zone designation, the current and potential function of the business district must be considered as well as the district's location relative to other features and activities.

Functional criteria:

- Are there, or could there be, a large number and variety of stores and services along the street front?
- Do the stores and services located along the street create a continuous street front of interest to a pedestrian, or is the street chopped up by surface parking lots, blank walls and/or residential units?
- Is this, or could this be, a comfortable street for pedestrians to stroll and linger?

Locational criteria:

- Is it surrounded by residential neighborhoods and/or other activity centers that generate pedestrian traffic?
- Is the business district on both sides of a street, or across a street from an activity center such as a park or a school?
- Can pedestrians, cyclists and transit riders access the district readily and easily?

General Rezone Criteria (23.34.008)

When evaluating a rezone of any kind, the following must be considered:

1. Zoned Capacity
2. Zoning History and Precedential Effect
3. Neighborhood Plan References

4. Zoning Principles
 - a. Impact of more intensive zones on less intensive zones
 - b. Buffers between zones
 - c. Zone boundaries
5. Impact Evaluation
 - a. Housing
 - b. Public Services
 - c. Environmental Factors
 - d. Pedestrian Safety
 - e. Manufacturing Activity
 - f. Employment Activity
 - g. Character of Area
 - h. Shoreline Views
 - i. Service Capacities
6. Nonconforming Uses
7. Changed Circumstances
8. Overlay Districts
9. Critical Areas

While a P Zone generally brings added restrictions to the underlying zoning, the underlying zoning and associated restrictions and allowances remain in place. The Pike/Pine Overlay District covered by this analysis already establishes restrictions and special conditions similar to those of the pedestrian zone designation that do not apply to the existing underlying NC3 commercial zoning. Since the 2006 amendments to the underlying NC3 zoning, some of these provisions have become redundant or outdated. The general rezone criteria listed above are intended primarily to evaluate the impacts of a change from one zone designation to another. In absence of criteria that specifically address a proposed overlay designation, the General Rezone criteria are used.

General Rezone Criteria analysis common to all proposed P Zones

Zoned Capacity

The area under consideration for a P Zone overlay designation has an underlying commercial (NC3) designation. The underlying commercial designation does not change with a P Zone overlay, as the restrictions of a P Zone overlay are additive to the underlying zoning. Therefore, the zoned capacity of any area proposed to have a P Zone overlay will not change. In the Pike/Pine Overlay District, existing provisions already establish tighter limits on the permitted amount of non-residential use, restrict residential use at street level on mapped streets, and permit residential-only development on locations off principal pedestrian streets. These conditions have been factored into the assumptions used to calculate the area's capacity for accommodating future growth, and would not change under the proposed rezone action.

In the areas currently zone NC3P 40, NC3P 65 and NC3 65 proposed to be included within the expanded boundaries of the Pike/Pine Overlay District, the limit on the amount of non-residential use permitted in a project will, where applicable, reduce the capacity for commercial floor area to accommodate additional jobs. For areas within the Seattle Central Community College Major

Institution Overlay (MIO), the provisions of the MIO will continue to supersede those of the Pike/Pine overlay, and capacity for job growth will not be affected.

In previous DPD analysis of the neighborhood plan recommendation to expand the overlay to include this area, the final decision to reject the proposal was based on a concern that the resulting reduction in commercial capacity could potentially hamper the ability of the Capitol Hill/First Hill Urban Center to meet the Comprehensive Plan's employment growth target. However, in recent years, the First Hill/Capitol Hill Urban Center has outperformed most other areas of the city in meeting job growth targets. This growth is reflected in the major building programs underway in all three medical centers on First Hill and at Seattle University.

The Comprehensive Plan calls for accommodating 5,836 jobs in Pike/Pine by 2024. Given 2006 data, Pike/Pine has 5,599 jobs, just 170 jobs short of meeting the 2024 target. Furthermore, the 2024 employment target for the entire First Hill/Capitol Hill Urban Center is 44,133 jobs, which requires an additional 3,265 jobs above the 2006 employment population of 40,868 jobs. According to the most recent capacity analysis, current zoning in the Urban Center provides capacity for 7,553 additional jobs; sufficient to comfortably accommodate the target for an additional 3,265 jobs. Even if all the capacity for jobs attributed to Pike/Pine were lost (which will not be the case), the remaining capacity for 4,142 jobs elsewhere in the Urban Center would be sufficient to accommodate the job growth needed to meet the Urban Center target.

Zoning Principles

Impact of more intensive zones on less intensive zones —The proposed zoning changes within the current overlay area will not change the intensity of the underlying current zoning and therefore will not change the impact on surrounding, less intensive zones. In areas to be included within the boundaries of the expanded overlay, the potential intensity of the zone will be somewhat less due to the limit on non-residential use that would apply in most of the area.

Buffers between zones and zone boundaries —Within the boundaries of the current Pike/Pine overlay, the proposed P Zone overlay designations will not alter the underlying zoning and therefore the existing zone boundary relationships will remain unchanged. For those areas proposed to be included in the expanded overlay boundaries, the zoning relationship to abutting areas should remain unchanged. The area proposed to be added to the overlay will abut the existing overlay area to the west, north and east. The Seattle University MIO and similar NC3 65 zoning abuts the southern boundary of the area.

Impact Evaluation

Housing — The proposed P Zone designation and changes to the boundaries for the Pike/Pine and Station Area Overlays would not increase or decrease the opportunity for housing within the existing Pike/Pine Overlay District. The P Zone overlay restrictions on residential uses at the ground floor facing a Principal Pedestrian arterial, and the allowance of single purpose residential buildings in areas zoned neighborhood commercial match conditions already established by the Pike/Pine Overlay. Because the overlay provisions emphasize residential and mixed use development by limiting non-residential uses, extending the overlay to include additional areas along Broadway and further east could further encourage residential/mixed use development in these areas.

Public Services — The Seattle Fire Department Fire Station 25 (1300 East Pine St.) and the Seattle Police Department East Precinct (1519 12th Avenue) are located in the study area. The proposed

zoning changes would not increase or decrease demand for public services because development potential will not increase.

Environmental Factors — The proposed zoning changes would not increase development potential beyond the current, underlying zoning. Environmental regulations will continue to apply to individual project applications.

Pedestrian Safety — The proposed zoning changes would not increase pedestrian safety in and of themselves. An increase in street level, pedestrian-oriented businesses could contribute to more pedestrian activity, resulting in an increased awareness of Pike/Pine as a high volume pedestrian area, which, through increased alertness to pedestrians, could increase pedestrian safety.

Employment Activity — The proposed zoning changes would not increase employment activity beyond what is allowed under existing zoning, as supplemented by the current Pike/Pine Overlay District provisions. Limits on non-residential use in the areas proposed to be included within expanded overlay boundaries could result in a slight reduction in potential capacity for employment growth.

Character of Area — The proposed P Zone overlay matches existing provisions of the Pike/Pine Overlay. As new development occurs, ground floor uses will continue to be required to be of a nature that generates pedestrian activity, thereby enhancing or encouraging a pedestrian oriented character. Proposed amendments to the Pike/Pine overlay will add provisions intended to protect the established neighborhood character. With the proposed expansion of the Pike/Pine Overlay District, provisions to better protect the existing character of the area would be extended to properties along Broadway and east of Broadway between E. Pike Street and E. Madison Street.

Shoreline Views — Not applicable to the Pike/Pine area.

Service Capacities — The proposed zoning changes would not increase development potential or service capacities of the area beyond what is allowed under current zoning. Specific capacity issues for individual projects will be examined through environmental review and application of City regulations.

Detailed analysis of the proposed P Zone overlay designation for the Pike/Pine Overlay District follow.

Pike/Pine

Section 1: Neighborhood Business District Description/Existing Conditions

Location/Geography

The proposed rezone areas include most of the commercially zoned land within the Pike/Pine Urban Center Village, extending along the commercial corridors of Pine and Pike Streets from Interstate 5 on the edge of downtown east to 15th Avenue. To the north, the commercial corridor is bordered by Midrise multifamily zoning, the Seattle Central Community College Major Institutional Overlay area, and Cal Anderson Park. Midrise Multifamily zoning and the Seattle University Major Institution Overlay area, and other NC3 65 areas border to the south. The result is a relatively dense residential area with a rich variety of retail and services.

As one of four Urban Center Villages within the First Hill/Capitol Hill Urban Center, Pike/Pine is targeted to accommodate both job and housing growth. Public facilities within the area include the East Precinct Police Station, Cal Anderson Park, Plymouth Four Pillars Park, and Fire Station 25. There are four designated Seattle Landmarks, and approximately 60 structures were included in a neighborhood inventory of structures surveyed to determine potential for Landmark nomination. Many of these structures are related to the area's early history as Seattle's original "auto row." The area has about 2,500 residential units and an employment population of about 5,600.

Within this larger Pike/Pine commercial area, the proposed rezone actions are broken down into the following three sub-areas:

Existing Overlay Area The area within the existing Pike/Pine overlay boundaries proposed to be rezoned from NC3 to NC3P includes most of the commercially zoned land along Pike and Pine Streets from I-5 to 15th Avenue. However, the overlay boundaries define two unconnected areas; one is comprised of about seven full blocks and portions 15 other blocks on both sides of Pike and Pine Streets from I-5 to just west of Broadway. The overlay area is split by the half blocks on both sides of Broadway, currently zoned NC3P. The remaining overlay area is to the east of Broadway and includes about five full blocks and portions of seven blocks of commercially zoned properties (NC3 65 and NC3 40) north of Pike Street and south of E. Olive Street as far east as 15th Avenue. From between a third to a half of the existing Pike/Pine overlay area is also within the boundaries of the First Hill Station Area Overlay District, which is proposed to be eliminated.

Area Included within Expanded Overlay The adjusted boundaries of the Pike/Pine overlay are proposed to include approximately eight acres of parcel area on seven half blocks along Broadway, as well as a larger area to the west of Broadway bounded by E. Pike Street, 13th Avenue, and E. Madison Street. Major uses in the area along Broadway include the Harvard Market, Seattle Central Community College, Shell service station, Broadway Crossing mixed use development, Neighbor's dance club, the Silver Cloud Hotel and the Garage billiard hall and bowling alley. The area further east is about 17 acres, most of which is zoned NC3P, with a small island zoned NC3 65. Uses are mixed, with most pedestrian-oriented commercial activity concentrated along the south side of Pike Street, and some commercial activity and surface parking lots oriented to vehicular traffic on E. Madison Street, including a Bank of America

branch and IHOP restaurant. Comprised of only four large blocks and a few small, irregular blocks, this area has experienced significant redevelopment activity recently, including Trace Lofts and Agnes Lofts along 12th Avenue, with two new projects proposed along E. Union Streets. Much of this area to be included in the expanded Pike/Pine overlay is now also within the boundaries of the First Hill Station Area Overlay District, which is proposed to be eliminated.

Area to be Removed from Capitol Hill Station Area Overlay Currently, the Capitol Hill Station Area Overlay and Pike/Pine Overlay overlap north of Pine Street from Summit Avenue on the west to 13th Avenue on the east. West of Broadway, many of the lots in this area have either been recently redeveloped with projects like Press and the SCCC parking garage, or have permits for redevelopment, including 514 E. Pine Street. The Broadway Performance Hall on the SCCC campus is also in the area. West of Broadway, the area is occupied by Cal Anderson Park, existing and proposed residential projects, the East Precinct vehicle service yard, and Richmark Printing. In addition to removing this area from the station area overlay, the two half-blocks along Broadway between E. Pine Street and E. Olive Street, proposed to be included in the expanded Pike/Pine Overlay, would also be removed. The half-block on the west side of Broadway is occupied by a portion of the SCCC campus, and on the east side is a proposed mixed use development at 1620 Broadway, now under construction, and the old Boone and Company Pontiac showroom, now occupied by a retail use, AEI Music.

Business Description

Pike/Pine is a unique commercial district. During the city's early history, the regraded Pike and Pine Street rights-of-way provided the easiest routes for traffic moving between downtown and adjacent hillside neighborhoods. The area developed as a narrow commercial corridor south of Capitol Hill and east of downtown, distinctly different from the surrounding areas. Much of its early identity was attributed to its function at the region's automobile sales and service center. Around 1906, the first automobiles were sold locally on Broadway near Broadway High School. Dealerships and other automotive businesses quickly spread west on Pike and Pine streets toward downtown and east to Madison Street, with limited expansion to the north and south along this spine. Related businesses of all kinds appeared, including repair shops, parts dealers, paint shops, parking garages and used car dealers. The demands of the new industry led to a unique building type: Solid fireproof structures of concrete or brick, often two to four stories, with a large showroom and offices on the first floor and parking on the upper floors accessed by concrete ramps (or, sometimes, large elevators). Even the single-story repair garages were of masonry or concrete construction. Major dealerships competed to impress potential customers, hiring well-known architects and investing in terra cotta cladding, expansive windows and intricate ornamentation.

During the 1920s automobiles became so popular that the industry could not be contained in a small area, and repair shops, parts dealers and, to a lesser extent, dealerships, spread to arterials throughout the city. During the Depression many dealerships closed or turned to selling used cars. New construction came to a standstill. After World War II, nearly all dealerships relocated to sites that would allow large outdoor display areas rather than relying on indoor showrooms. Buildings were later converted to office, retail, or residential use. However, the structures themselves were so sturdily built and adaptable to new uses that most were little changed.

The construction of I-5 in the middle 1960s was simultaneous with a period of decline for all of Capitol Hill. Beginning in the late 1970s and early 1980s the neighborhood was reborn as the center of bohemian, gay, and “yuppie” culture for Seattle. However, the Pike/Pine portion of Capitol Hill has never had as strong a gay identification that the Broadway area of Capitol Hill has traditionally had.

Several bars and record stores in this neighborhood were identified with Seattle’s “grunge” music scene of the 1990s; at the same time, housing and neighborhood retail began to accelerate. This neighborhood became associated with youth culture: nightlife, cheap restaurants, record shops, and resale and thrift clothing stores. Today, this south slope of Capitol Hill is particularly known for its vibrant and young community. Very few traditional families call this neighborhood home.

A 1991 study noted that the neighborhood, with 59 arts-related businesses, was “becoming a focus for arts and entertainment activity, including live performances and commercial art services.”² This arts focus has grown over the past two decades, and now nearly 200 arts-related businesses operate in the Pike-Pine neighborhood. These include theater groups, dance groups, galleries, cinemas, artist studios, frame shops, photography studios, architecture firms, landscape architecture firms, and businesses selling art or photography equipment.

While automobile-related businesses still operate in the neighborhood, and it is home to numerous thrift shops, restaurants, and cafés, the Pike-Pine neighborhood is uniquely identified with nightlife, gay-related businesses and organizations, and arts-related organizations and businesses. The area stretches between two educational institutions, Seattle Central Community College and Seattle University, which generate a large student customer base for local services.

Existing Development Characteristics

Over 75 percent of the building stock in the Pike/Pine neighborhood was constructed before 1930. Development typically ranges between one and three stories in height, and seldom occupies sites larger than 15,000 square feet. The Pike/Pine corridor has one of the city’s most extraordinary collections of historic buildings, many of which retain a high degree of architectural integrity and represent an innovative and unique building type. The following designated Seattle landmarks are located within the rezone area and the area to be removed from the First Hill Station Area Overlay District:

- Old Fire Station #25, 1400 Harvard Avenue
- Wintonia Hotel, 1431 Minor Avenue
- First African Methodist Episcopal Church, 1522 14th Avenue.
- Stimson-Green House, 1204 Minor Avenue
- Dearborn House, 1117 Minor Avenue
- Seattle First Baptist Church, 1121 Harvard Avenue
- St. James Cathedral, Rectory and Site, 9th and Marion
- Summit School/Northwest School, 1415 Summit Avenue

In addition to structures already designated as landmarks, Seattle’s Department of Neighborhoods cultural resources survey includes over 60 buildings within the study area that may have historic value.

Fraternal Halls and churches are part of the architectural heritage of this neighborhood:

² Capitol Hill Chamber of Commerce, Capitol Hill Community Council, et al. “Pike/Pine Planning Study,” April 1991.

- Odd Fellows Hall
- Masonic Temple (Egyptian Theatre)
- First Covenant Church
- Knights of Columbus

Recent Development Activity, 1995–2008

Sixteen buildings have been built between 1995 and 2007. Of these 16 buildings, 14 were entirely residential or residential with ground-floor retail. Ten of these 14 are condominiums, and three are rental (including one subsidized). The Harvard Market retail complex, and the Silver Cloud Hotel were the other two buildings built in this period. Most new development has been mixed use; generally 6-story structures with retail use at street level and housing above. About a dozen projects currently in the permit pipeline are similar mixed use developments, and combined would add over 600 units to the area.

Housing Characteristics

One of the attractions of the Pike/Pine neighborhood has been the supply of affordable and available rental housing. A few older brick apartment buildings on Pine Street, and a large number of older apartment buildings on the side streets, especially west of Broadway, have provided housing for young singles and those seeking a small and affordable apartment close to downtown. In fact, a 1991 study referred to the Pike/Pine neighborhood as an “island of affordability” surrounded by higher-priced housing in neighborhoods such as First Hill, downtown, and other parts of Capitol Hill.³ Most of these affordable rental units were not subsidized; they were simply cheap places to live. Over 80% of the units at that time were single room occupancy (SRO’s), studios, and one-bedroom apartments. Historically, a high percentage of the housing units in the Pike/Pine neighborhood were rental: 97% as of 1990, and 90% as of the 2000 census. However, much of the new housing being built in the district is owner-occupied.

Subsidized Housing

The loss of affordable un-subsidized housing has, in recent years, to a small degree been made up by an increase in subsidized housing. While in 1991 only 102 subsidized units were identified in ten buildings⁴, in 2007 there were over 500 subsidized units in 12 buildings. Of 2,586 total housing units, 510, or 20%, are identified as subsidized rental (2007)⁵. Subsidized rental buildings within the study area are identified below:

Table 1: Buildings in NC3 zones with subsidized rental units or owned by low-income housing providers, Pike/Pine neighborhood (2008).

³ Capitol Hill Chamber of Commerce, Capitol Hill Community Council, et al. “Pike/Pine Planning Study,” April 1991. p. vii.

⁴ *ibid.*, p. 43.

⁵ Unpublished research material, City of Seattle Department of Planning and Development, 2008.

Building	Address	Number units
Annapolis	1531 Belmont Avenue	23 units
Bellevue—Olive Apts.	1641 Bellevue Avenue	48 units
Belmont—Boylston Apts.	1411 Boylston Avenue	47 units
Berky House	1213 E. Union St.	40 units
Broadway Crossing	1531 Broadway	44 units
Chamberlain House	1515 Belmont Avenue	40 units
Gordon Apartments	1202 E. Pine Street	27 units
Haines Apartments	1415 E. Olive Street	30 units
Melrose Apartments	1520 Melrose Avenue	30 units
Pine Street Apartments	1202 E. Pine Street	27 units
Villa Apartments	1106 Pike Street	62 units
Wintonia Hotel	1425 Minor Avenue	92 units
Total subsidized housing units		510 units

Social Services

At least five social service organizations are known to have operations within the neighborhood: Salvation Army Family Services, Gay City, Seattle Counseling Service for Sexual Minorities, King County Public Health Needle Exchange, and Lifelong AIDS Alliance.

Nightlife and Cafés

Bars, night clubs, and restaurants open late include: Baltic Room, Cayenne, Bacchus, Capitol Club, War Room, Neumo's, Moe Bar, King Cobra, Chop Suey, Elysian Brewery, Comet Tavern, Havana Social Club, Linda's Tavern, Mercury, Rosebud Café, Cha Cha Lounge, Chapel, Satellite Lounge, Six Arms, Quinn, Gray, Barca, Century Ballroom, Via Tribunale, The Garage, La Spiga, and of course, the IHOP.

The neighborhood also includes prominent and locally/regionally owned coffeehouses: Caffè Vita, Bauhaus Coffee, Kaladi Brothers, Elizabeth's, Victrola, Stumptown, Café Petirosso, Caffè Argento, Café Stellina, and Online Coffee Company. (The Globe has recently closed.) Others include Tully's and Starbucks (which, although "corporate," are both locally owned.)

While not nightlife-related specifically, some businesses have a synergistic relationship to nightlife and the music scene. Late-night tattoo parlors are among these.

Festivals and Fairs

Neighborhood exuberance is shown off in late June, when The Cuff hosts an annual Gay Pride block party on 13th Avenue between Pine and Pike streets. Live performances and music are among the featured events. In late July, the annual Capitol Hill Block Party is a two-day event that takes place on Pike Street and 10th Avenue. The party includes live music and performances on outdoor stages, from daytime to late at night.

Gay and Lesbian Life

Gay bars and nightclubs include: The Eagle, Neighbours, R Place, The Cuff, Madison Pub, Martin's Off Madison, Poco Wine Room, Purr, CC Seattle's, Chapel (mixed), and Kurrent (mixed). There is one Lesbian bar: Wildrose.

Gay services and businesses: Lifelong AIDS Alliance, GSBA, Gay City, Seattle Counseling Services for Sexual Minorities, Seattle Out and Proud, Diverse Harmony, Verbena, Project NEON, and Seattle Gay News.

Gay other: sex clubs and paraphernalia shops.

The Seattle Pride Festival parade no longer takes place in the neighborhood, but some related festival events occur in the Pike/Pine neighborhood during Pride weekend (late June). The Seattle Gay and Lesbian Film Festival screens at some neighborhood cinemas.

The following gay bars or organizations in the neighborhood have been lost in recent years: 1200 Bistro, Sugar, Thumpers, GLBT Center (1115 Pike), Man Ray, Blu (Brass Connection), Pony (506 E. Pine St).

Pedestrian Environment

The sidewalks in the Pike/Pine area under consideration generally provide excellent access for pedestrians. As the number and variety of street front uses in the commercial core continues to grow, pedestrian interest increases proportionally. Pike and Pine are both heavily used pedestrian routes providing connections between downtown and Capitol Hill.

Transit and Non-Motorized Transportation Description

Pike/Pine is well served by Metro bus routes. The northernmost portion of Pike/Pine is within the Capitol Hill Station Area Overlay District and will be within walking distance of the Broadway light rail station. Pine Street includes a dedicated bike lane, and Broadway and 12th Avenue are designated as shared use trails.

Section 2: Discussion of P Zone criteria

Potential Character

The Pike/Pine commercial corridor developed over the past several years into a vibrant, retail, entertainment and service -rich neighborhood center characterized by smaller scale and unique stores and restaurants, as well as one of the city's greatest concentrations of arts activities. Additional multi family housing and mixed use development in and immediately adjacent to the commercial corridor should continue to support pedestrian, bicycle and other non-auto forms of transportation within the district.

Match Between P Zone Designation Criteria and Business District Characteristics

Functional Criteria The function of a Pedestrian designation is to preserve or encourage an intensely retail and pedestrian-oriented shopping district where non-auto modes of transportation to and within the district are strongly favored, and the following characteristics can be achieved:	
Criteria:	Comments / Description:
1. A variety of retail/service activities along the street front;	The Pike/Pine neighborhood business district under consideration for a P Zone designation has many pedestrian-oriented businesses representing a variety of services and retail located along the two main commercial street fronts, Pine/E. Pine Street and Pike/E Pike Street., as well as other active commercial streets east of Broadway, including 10 th , 11 th , 12 th and 13 th Avenues, most of which are extensions of already designated principal pedestrian streets.
2. Large number of shops and services per block;	
3. Commercial frontage uninterrupted by housing or auto-oriented uses;	While there are numerous stretches of continuous retail frontages, some block fronts are uninterrupted by surface parking lots, large curb cuts or ground floor housing.
4. Pedestrian interest and activity;	The overall diversity and local nature of many businesses and historic character of structures in the area provide pedestrian interest a engaging street front uses.
5. Minimal pedestrian-auto conflicts	High volumes of pedestrians contribute to a pedestrian-friendly environment and minimal auto-pedestrian conflicts. The historic development pattern of the area also minimizes the intrusion of automobiles. Intersections at streets with high volumes of vehicular traffic are generally signalized.
Locational Criteria Pedestrian-designated zones are most appropriate on land that is generally characterized by the following conditions:	
Criteria:	Comments / Description:
1. The district under consideration is surrounded by residential areas and/or major activity centers; or a commercial node in an urban center or urban village;	The proposed P zone is within the Pike/Pine Urban Center Village and is part of the Urban Center with the greatest residential density in the city. It also abuts two major institutions, Seattle University and Seattle Central Community Center, a major community park, and Downtown Seattle.
2. The district under consideration has commercially zoned areas on both sides of an arterial, or commercially zoned block or blocks face across an arterial from a park, major institution, or other activity center;	The Pike/Pine area proposed for the P designation includes about 12 full blocks of NC3 zoned land and portions of another 18 blocks. The zoning provides for continuous commercial frontage along both Pike and Pine Streets for a distance of 13 blocks from I-5 to 15 th Avenue, with additional commercial frontage on the east/west avenues intersecting these two streets this entire distance.
3. The district under consideration has excellent access for pedestrians, transit, and bicyclists.	Sidewalks in the business district are in excellent condition. In addition to excellent bus transit service provided by both Metro and Sound Transit, the area is within walking distance of the Capitol Hill light rail station.

Section 3: Rezone analysis

General Rezone Criteria

General Rezone Criteria for proposed P Zones is addressed in the General Rezone Criteria discussion on page 33.

Zoning History and Precedential Effect

Prior to 1985, the area was subject to zoning under the City's previous zoning Code, Title 24 of the Seattle Municipal Code. The commercial areas were zoned General Commercial (CG), which allowed a range of heavier commercial and light manufacturing uses and restricted residential use as a Council conditional use. When Title 23 zoning was adopted in 1985, most of the area was zoned Neighborhood Commercial 3, restricting the heavier commercial activity and allowing residential use outright. The area roughly bounded by Broadway, E Pike Street, and E. Madison Street was zoned Commercial 2 (C2), a zoning designation similar to the original CG designation and reflecting the conditions in this area, which continued to be occupied by a variety of heavier commercial, light manufacturing and warehouse activity and only a limited amount of housing.

The Pike/Pine Overlay District was established in 1995 and applied to most NC3 areas in response to a neighborhood planning initiative. The C2 area east of Broadway was excluded from the overlay. The overlay was intended to prevent high density commercial development from encroaching eastward across Interstate 5 from downtown into the Pike/Pine neighborhood. The overlay modified the base commercial zones to limit commercial development, favoring mixed use/residential development and residential-only development under specified conditions. Since the overlay was established, several amendments to the base commercial zoning and the addition of station area overlay districts have created conflicts and contradictions with the original overlay provisions. An outline of the original legislation creating the overlay and subsequent amendments is provided under Legislative History in the Background section of the report on pages 5 and 6.

Neighborhood Plan References

The proposed P Zone designation and expanded Pike/Pine Overlay support the following policies and goals outlined in the Pike/Pine Urban Center Plan in the Neighborhood Planning Element of the Comprehensive Plan:

Community Character Goal

P/P-G1 A community with its own distinct identity comprised of a mix of uses including multifamily residential, small scale retail businesses, light manufacturing, auto row and local institutions.

Community Character Policies

P/P-P1 Strengthen the neighborhood's existing mixed-use character and identity by encouraging additional affordable and market-rate housing, exploring ways of supporting and promoting the independent, locally owned businesses, seeking increased opportunities for art-related facilities and activities, and encouraging a pedestrian-oriented environment.

P/P-P2 Seek to preserve the architectural and historic character of the neighborhood by exploring conservation incentives or special district designations.

Housing Policies

P/P-P12 Promote the development of mixed-use structures in general commercial areas of the Pike/Pine neighborhood, especially compatible mixed uses such as artist live-work space.

Urban Design Policies

P/P-19 Seek to develop the 'core area' east of Broadway into an active pedestrian center with connections to other neighborhoods.

Impact Evaluation

Character of Area — There are three designated Seattle landmarks in the area proposed for the P Zone designation and about 60 structures identified on a City inventory as having potential historic value within the entire proposed rezone area. The proposal for the P designation and expanded overlay boundaries are part of a package of proposed amendments to expand the function of the Pike/Pine Overlay to promote the conservation of this neighborhood character.

Manufacturing Activity — There is only limited light manufacturing activity remaining in the proposed rezone areas. Although light manufacturing is allowed NC3 zones, it would not be permitted at street level in a designated P Zone.

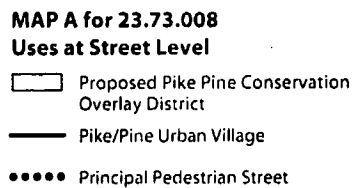
Nonconforming Uses

Certain uses are allowed in NC3 zones that are not allowed at street level on designated principal pedestrian streets in designated P Zones, including residential uses on more than 20 percent of the street frontage of a lot, vehicle sales and service, office, research and development laboratories, food processing and craft work, general utility services, some institutions, horticultural uses and aquaculture. Most of the area within the Pike/Pine Overlay District is included currently in either the Capitol Hill Station Area Overlay or the First Hill Station Area Overlay, which include further restrictions on some uses.

While the area has in the past been a location for manufacturing activity, new structures have not been built or recently renovated to accommodate this activity. Any uses that are non-conforming under existing NC3 provisions would remain non-conforming. The restrictions on street level uses on designated principal pedestrian streets will make some existing uses non-conforming, either because of the specific use or the amount of street frontage the use occupies, and under the proposal, more streets will be designated as principal pedestrian streets, including 10th, 11th, 12th, and 13th Avenues east of Broadway in addition to Pike/E. Pike and Pine/E. Pine Streets (see Map C2). However, while the current provisions regarding street level uses in the Pike/Pine Overlay are vague, the original intent in terms of restrictions on uses that detract from the quality of the pedestrian environment are consistent with the standards of the proposed P zone designation.

There are two uses in the small NC3 65 area (12,279 square feet) bounded by Broadway Court, E. Union Street, 10th Avenue, and E. Pike Street—an auto service/repair business and a mini-warehouse, "The File Box." These uses are already non-conforming uses under the provisions of the First Hill Station Area Overlay, and the non-conformity would continue under the proposed NC3P 65 designation for lots abutting E. Union Street, a designated principal pedestrian street.

Proposed Pike Pine Conservation Overlay District



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Changed Circumstances

Outside of P Zone designated areas, commercial zoning allows residential uses at street-level without an Administrative Conditional Use permit. The proposed P Zone designation would more effectively reflect neighborhood plan goals than the existing Neighborhood Commercial zoning with no P Zone overlay by contributing to a pedestrian network and encouraging a mix of pedestrian-oriented businesses.

Overlay Districts

In addition to the Pike/Pine Overlay District, there is a Major Institution Overlay (Seattle Central Community College MIO) within the proposed P Zone designation and portions of two Station Area Overlay Districts, which are proposed to be removed from areas within the Pike/Pine Overlay District boundaries.

Critical Areas

There are no critical areas within the proposed P Zone designation.

Summary of Proposed Action

The proposed action would designate the underlying NC3 zones within the boundaries of the existing Pike/Pine Overlay to the NC3P pedestrian designation, retaining existing height limits, and designate Pike Street/E. Pike Street, Pine Street/E. Pine Street, 10th, 11th, 12th, and 13th Avenues in the area as principal pedestrian streets. The Pike/Pine Overlay is proposed to be expanded to include areas abutting the existing overlay boundaries that were rezoned NC3P in 2006, and a small area zoned NC3 65 surrounded by the existing NC3P 65 area and bounded by Broadway Court, E. Union Street, 10th Avenue, and E. Seneca Street. The Capitol Hill Station Area Overlay is also proposed to be removed from NC3 and NC3P zoned areas within the proposed Pike/Pine Overlay boundaries. The First Hill Station Area Overlay is also proposed to be eliminated.

Section 4: Conclusion and Recommendation

Criteria Favoring Pedestrian Designation:

Match between Zone Criteria and Area Characteristics — The proposed zoning actions are appropriate given the consistency with the intended purpose of the Pike/Pine Overlay District, the existing character of the neighborhood, and the desire to maintain and enhance that character and promote good transit access.

Neighborhood Plans — The proposed rezone actions would increase opportunities for future development in the designated overlay area to enhance the neighborhood character and implement part of the Pike/Pine Urban Center Village Plan.

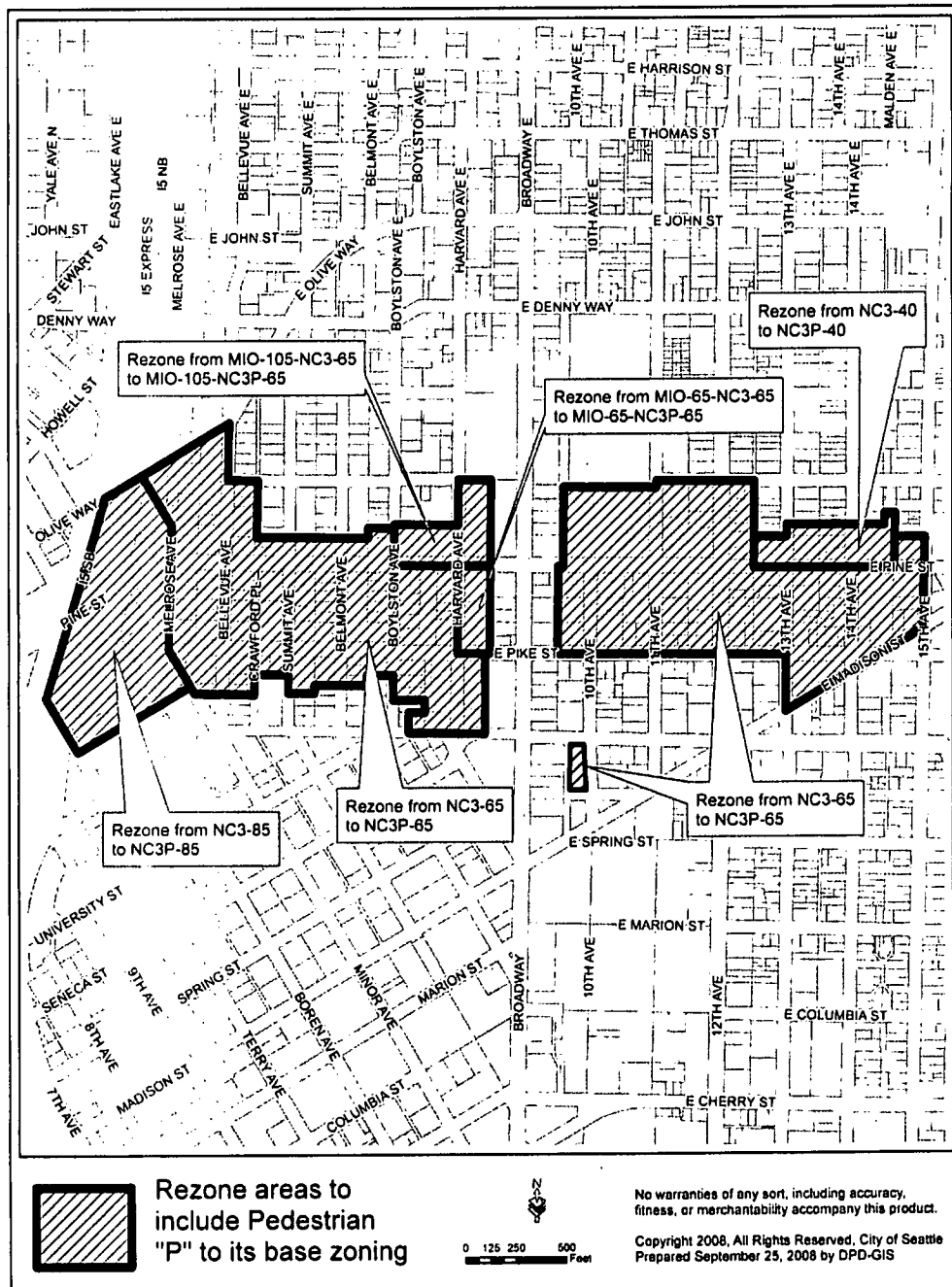
Neutral Criteria

Impact Evaluation — The proposed P Zone designation and adjusted overlay boundaries would not have significant impacts on housing, public services, the natural environment or employment.

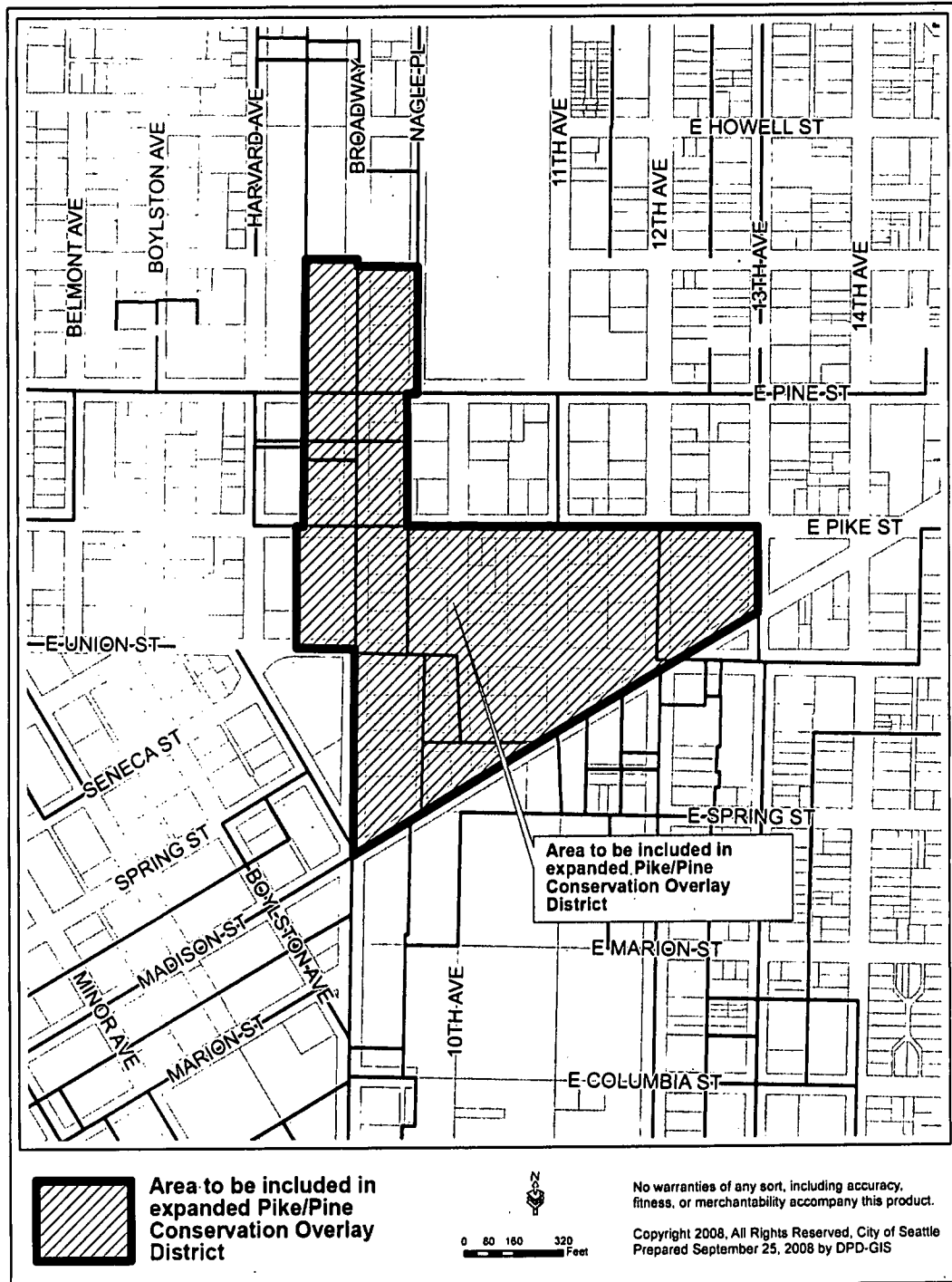
Recommendation

The following rezone actions are recommended:

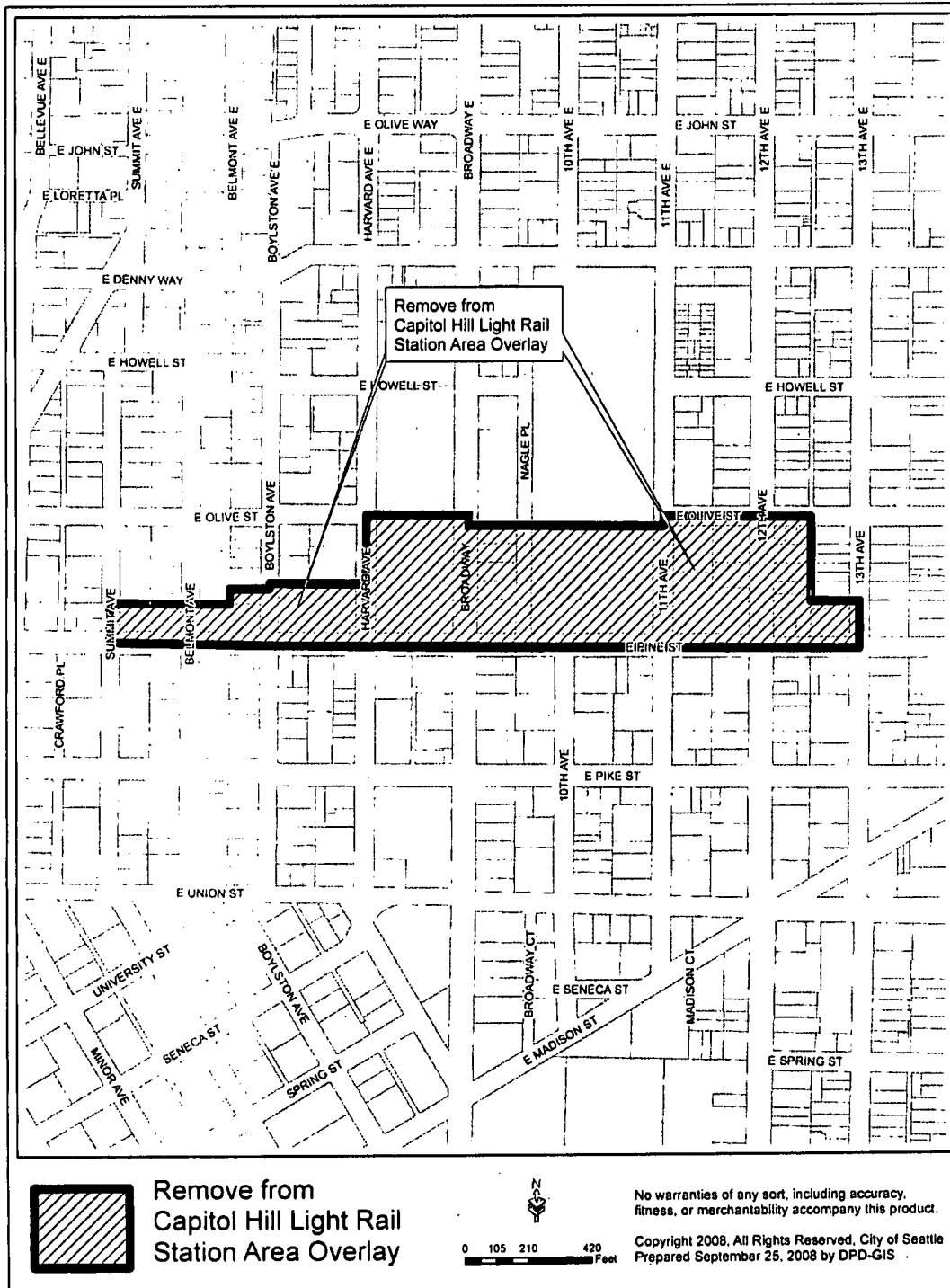
1. A P Zone overlay is recommended for existing NC3 zones within the current boundaries of the Pike/Pine Overlay District and a small NC3 65 area currently outside the overlay, indicated on the map below. Within the existing Pike/Pine Overlay District boundaries, the principal pedestrian street designation is proposed for Pike Street/E. Pike Street, Pine Street/E. Pine Street, 10th, 11th, 12th, and 13th Avenues (see Map C2 above).



2. The boundaries of the Pike/Pine Overlay District are proposed to be expanded to include lots abutting Broadway between an alignment with E. Olive Street and E. Madison Street, and the area east of Broadway between E. Pike Street, 13th Avenue, and E. Madison Street. The current zoning in this area includes NC3P 40, MIO-105-NC3P-65, MIO-65-NC3P-65, NC3-65, and NC3P-65 (see map below).



- The Department of Planning and Development (DPD) is proposing to adjust the boundaries of the Capitol Hill Station Area Overlay to exclude existing NC3 and NC3P areas within the existing and proposed boundaries of the Pike/Pine Overlay District (see map below).



23.34.089 Locational criteria--Station Area Overlay District

Establishing a Station Area Overlay District. In reviewing a proposal to establish a Station Area Overlay District, the following criteria shall be considered:

Function Criteria:	Comments/Description
To preserve or encourage a diverse, mixed-use community with a pedestrian orientation around proposed light rail stations or access to other high capacity transit, where incompatible automobile-oriented uses are discouraged and transit-oriented use and development is encouraged.	The portion of the Capitol Hill Station Area Overlay District that overlaps with the existing Pike/Pine Overlay District and the proposed expansion of the overlay is already subject to provisions that achieve the same intent as the SAOD and are consistent with the function criteria. The Code indicates that in the case of a conflict between the two overlays, the provisions of the Pike/Pine overlay would prevail; therefore the SAOD is redundant and unnecessary.
Locational Criteria	
The Station Area Overlay District is most appropriate in areas generally characterized by one or more of the following:	
Criteria	Comments/Description
a. High levels of pedestrian activity at street level in commercial and mixed-use zones; or	Currently, the Capitol Hill Station Area Overlay and Pike/Pine Overlay overlap north of Pine Street for a depth of from about one-half to one block between Summit Avenue on the west to 13th Avenue on the east. Both Pine Street and Broadway are high volume pedestrian and transit streets.
b. Presence of a wide variety of retail/service activities in commercial and mixed-use zones; or	West of Broadway, many of the lots in this area have either been recently redeveloped with projects like Press and the SCCC parking garage, or have permits for redevelopment, including 514 E. Pine Street. The Broadway Performance Hall on the SCCC campus is also in the area. West of Broadway, the area is occupied by Cal Anderson Park, existing and proposed residential projects, the East Precinct vehicle service yard, and Richmark Printing.

Locational Criteria

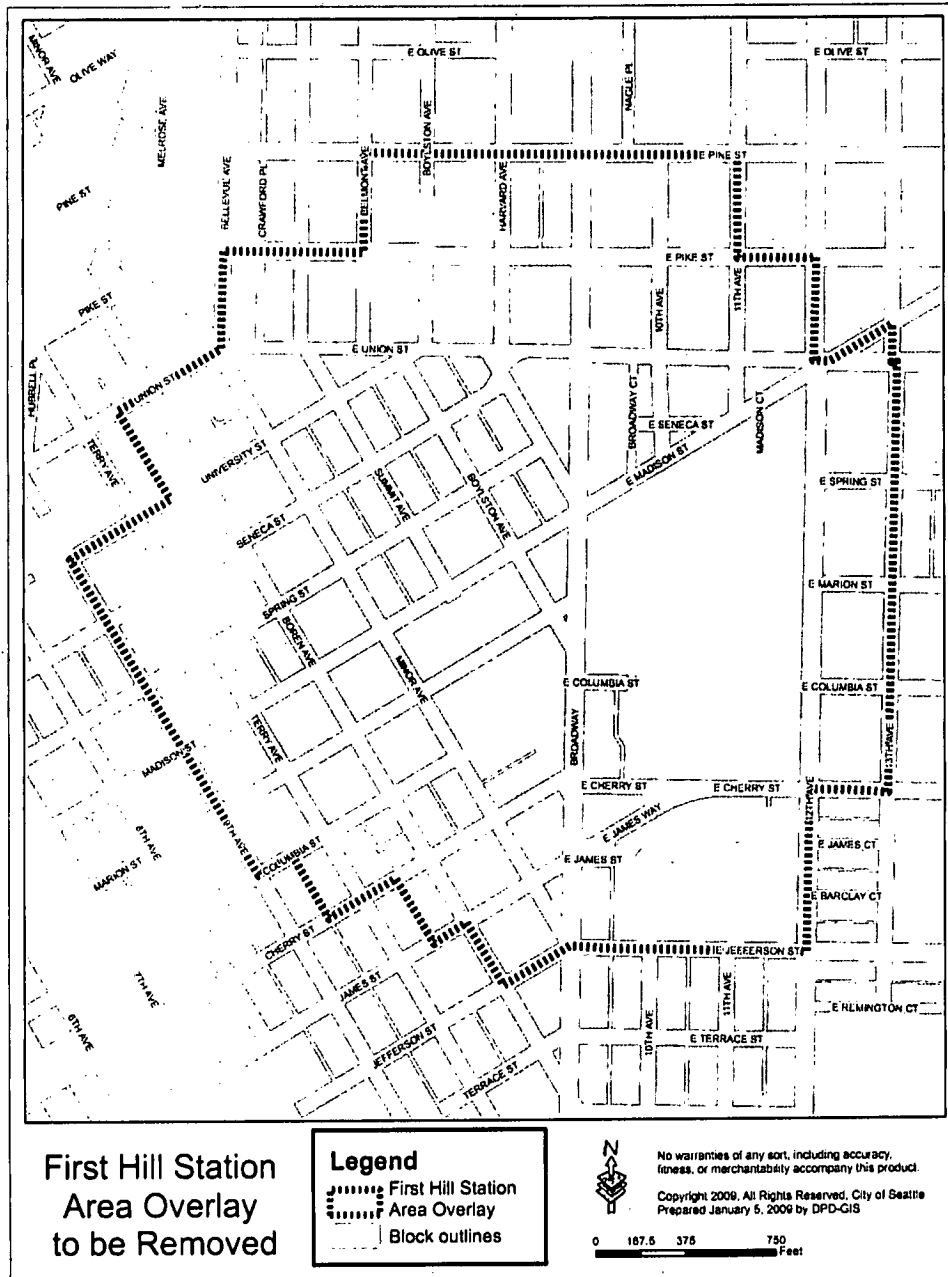
Physical Conditions Favoring Designation as Station Area Overlay District. The Station Area Overlay District shall be located around a proposed light rail station or access to other high capacity transit and include land within approximately one thousand three hundred and twenty feet (1,320') of the station or stop. Other factors to consider in including properties within the overlay district include, but are not limited to the following:

Criteria	Comments/Description
a. Presence of medium to high density residential zoning in proximity to the proposed light rail station or access to other high capacity transit;	Pike/Pine is characterized by medium to high density residential development in the Midrise and NC zoned areas.
b. Presence of a commercial or mixed-use area where goods and services are available to the public and where opportunities for enhancement of the pedestrian environment exist;	Mixed-use commercial zoning is present throughout the area proposed to be removed from the Capitol Hill SAOD, although much of the area is occupied by public open space or subject to a major institution overlay. Most recent development has been mixed use projects predominantly occupied by residential uses.
c. Opportunities for new development to access transit, bicycle and pedestrian modes of transportation;	There are opportunities for new development to access bus service and other modes such as bike and pedestrian. The passage of Proposition 1 in November of 2008 will provide funding for a planned street-car line that is intended to serve the area and link the Capitol Hill and International District light rail stations.
d. Opportunities for construction of new development that will support transit;	There are opportunities for new development in the neighborhood that would support transit.
e. Properties zoned Single-family may only be included within the overlay district when it can be demonstrated that the criteria for Single-family designation cannot be satisfied.	There are no single family zoned properties in or near the area proposed to be removed from the SAOD.

<p>B. Revising the Boundaries of a Station Area Overlay District.</p> <p>1. When a proposal is made to include land within an existing Station Area Overlay District, the land proposed to be added must be contiguous to the Station Area Overlay District, be consistent with the criteria prescribed in subsection A, above, and satisfy the function of and locational criteria for a commercial or multifamily zone designation.</p> <p>2. When a proposal is made to remove land from an existing Station Overlay District, the land proposed to be removed must be contiguous to land lying outside the boundary and not meet the criteria in subsection A of this section.</p>	<p>The proposal is to remove the area within the SAOD (the southernmost edge) overlapping with the existing and proposed boundaries of the Pike/Pine overlay. Since the Code indicates that the provisions of the Pike/Pine overlay supersede those of the SAOD, the SAOD is redundant and unnecessary. The Pike/Pine overlay applies to all areas contiguous to the area proposed to be removed from the SAOD.</p>

- 4) **Removal of the First Hill Station Area Overlay.** The Department of Planning and Development (DPD) is proposing to eliminate the SAOD designation from First Hill. This report contains the rezone analysis related to the proposal. As Sound Transit eliminated the First Hill Station from the Link Light Rail system, the Station Area Overlay District does not serve a purpose and is recommended to be removed.

Map of the First Hill Station Area Overlay District (SOAD)



23.34.089 Locational criteria--Station Area Overlay District

Establishing a Station Area Overlay District. In reviewing a proposal to establish a Station Area Overlay District, the following criteria shall be considered:

Function Criteria:	Comments/Description
To preserve or encourage a diverse, mixed-use community with a pedestrian orientation around proposed light rail stations or access to other high capacity transit, where incompatible automobile-oriented uses are discouraged and transit-oriented use and development is encouraged.	There is no light rail station proposed in the First Hill Neighborhood. Therefore, the SAOD designation is not appropriate.

Locational Criteria

The Station Area Overlay District is most appropriate in areas generally characterized by one or more of the following:

Criteria	Comments/Description
<p>a. High levels of pedestrian activity at street level in commercial and mixed-use zones; or</p> <p>b. Presence of a wide variety of retail/service activities in commercial and mixed-use zones; or</p> <p>c. Minimal pedestrian-auto conflicts; or</p> <p>d. Medium to high residential density in close proximity to light rail stations or access to other high capacity transit.</p>	<p>Madison Street has a differing character along its length and from one side to the other within the station area. The now eliminated station was to be located at Summit Avenue, just north of Madison Street. Immediate surrounding the former station, the area is characterized by hospital and other uses. The west end is near downtown with large-scale mixed use development. The east end is characterized by neighborhood serving mixed use development and the Seattle University Campus.</p> <p>The existing Neighborhood Commercial (NC) zoning with pedestrian designations along the length of Madison Street and several cross-streets will help create a more unified street environment linking the medical institutions,</p>

	<p>Seattle University and the mixed-use commercial area in the neighborhood.</p> <p>The existing zoning will also help enhance pedestrian safety in a transit corridor served by bus.</p> <p>First Hill is characterized by medium to high density residential development in the Midrise, Highrise and NC zoned areas. While the SAOD allows for more floor area in commercial zones (allowing higher floor area ratios) than underlying NC zoning, the difference would not result in development that is significantly different than if the overlay remained in place.</p>
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Locational Criteria

Physical Conditions Favoring Designation as Station Area Overlay District. The Station Area Overlay District shall be located around a proposed light rail station or access to other high capacity transit and include land within approximately one thousand three hundred and twenty feet (1,320') of the station or stop. Other factors to consider in including properties within the overlay district include, but are not limited to the following:

Criteria	Comments/Description
a. Presence of medium to high density residential zoning in proximity to the proposed light rail station or access to other high capacity transit;	First Hill is characterized by medium to high density residential development in the Midrise, Highrise and NC zoned areas.
b. Presence of a commercial or mixed-use area where goods and services are available to the public and where opportunities for enhancement of the pedestrian environment exist;	Mixed-use commercial zoning is present along Madison Street. This zoning serves as a location for businesses offering a mixture of goods and services including a grocery store, restaurants, drug stores and various small businesses/boutiques.
c. Opportunities for new development to access transit, bicycle and pedestrian modes of transportation;	There are opportunities for new development to access bus service and other modes such as bike and pedestrian. The passage of Sound Transit's Proposition 1 in November of 2008 will provide funding for a planned street-car line that is intended to serve the area and link the Capitol Hill and International District light
d. Opportunities for construction of new development that will support transit;	

<p>e. Properties zoned Single-family may only be included within the overlay district when it can be demonstrated that the criteria for Single-family designation cannot be satisfied.</p>	<p>rail stations.</p> <p>There are opportunities for new development in the neighborhood and no single-family zoned areas are in the First Hill Urban Center (and within the station area overlay).</p>
<p>B. Revising the Boundaries of a Station Area Overlay District.</p> <p>1. When a proposal is made to include land within an existing Station Area Overlay District, the land proposed to be added must be contiguous to the Station Area Overlay District, be consistent with the criteria prescribed in subsection A, above, and satisfy the function of and locational criteria for a commercial or multifamily zone designation.</p> <p>2. When a proposal is made to remove land from an existing Station Overlay District, the land proposed to be removed must be contiguous to land lying outside the boundary and not meet the criteria in subsection A of this section.</p>	<p>The proposal is to remove the district in its entirety. No issues of zoning designation contiguity, as contemplated by Criterion B2, are present.</p>

RECOMMENDATIONS

DPD, in making recommendations, has considered the comments of affected departments, other government agencies, and citizens. Their comments, as well as all environmental documentation that was prepared relevant to the proposed amendments, are available upon request.

DPD recommends approval of the proposed ordinance.

APPENDIX A: Relationship to Existing Plans and Policies

Comprehensive Plan

Urban Village Element

UVG13 Promote physical environments of the highest quality, which emphasize the special identity of each of the city's neighborhoods, particularly within urban centers and villages.

Land Use Element

B-3 Mixed-Use Commercial Areas

LU119 Manage the bulk of structures in commercial areas to maintain compatibility with the scale and character of commercial areas and their surroundings, to limit the impact on views, and to provide light, air, and open space amenities for occupants.

Cultural Resource Element

Fostering a sense of place policies

- CR6** Capitalize on opportunities for promoting community identity through the design of street space, preserving or encouraging, for example:
- Street furnishings that reflect the ethnic heritage or architectural character of the surrounding neighborhood.
 - Artworks and markers commemorating important events of individuals;
 - Details that can reinforce community identity and authenticity such as light standards, street name markers, original granite curbing and cobblestone paving or types of street trees; or
 - Space for landscaping projects.

Using cultural resources to implement the urban village strategy policies

CR9 Work with neighborhoods and agencies to identify resources of historic, architectural, cultural, artistic, or social significance, especially in urban centers and urban villages. Encourage neighborhood-based efforts to preserve these resources, and apply public resources where appropriate. Identify structures, sites and public views, in addition to those already recognized, that should be considered for protection measures.

Providing a sense of continuity & community through our historic legacy goals

- CRG6** A city that celebrates and strives to protect its cultural legacy, to preserve historic neighborhoods and to preserve, restore and re-use its built resources of cultural, architectural, or social significance in order to maintain its unique sense of place and adapt to change gracefully.
- CR11** Identify and protect landmarks and historic districts that define Seattle's identity and represent its history, and strive to reduce barriers to preservation. As appropriate, offer incentives for rehabilitating and adapting historic buildings for new uses.

Neighborhood Planning Element: Pike/Pine Neighborhood Plan

Community Character Goal

P/P-G1 A community with its own distinct identity comprised of a mix of uses including multifamily residential, small scale retail businesses, light manufacturing, auto row and local institutions.

Community Character Policies

P/P-P1 Strengthen the neighborhood's existing mixed-use character and identity by encouraging additional affordable and market-rate housing, exploring ways of supporting and promoting the independent, locally owned businesses, seeking increased opportunities for art-related facilities and activities, and encouraging a pedestrian-oriented environment.

P/P-P2 Seek to preserve the architectural and historic character of the neighborhood by exploring conservation incentives or special district designations.

Housing Policies

P/P-P12 Promote the development of mixed-use structures in general commercial areas of the Pike/Pine neighborhood, especially compatible mixed uses such as artist live-work space.

Urban Design Policies

P/P-19 Seek to develop the 'core area' east of Broadway into an active pedestrian center with connections to other neighborhoods.

Pike/Pine Approval and Adoption Matrix

HS 1.0 Extend the Pike/Pine Overlay to the C-2 zone for the purpose of allowing development of mixed-use structures, while retaining the automotive and manufacturing uses.

Evaluate extension of Pike/Pine overlay to C-2 zone, and make recommendations to Council.

HS 1.6 Expand the Transfer of Development Rights (TDR) Program so that rights from Pike/Pine properties can be sold to developers of downtown commercial properties.

Evaluate the expansion of the TDR program.

UD 1.0 Modify the Pike/Pine Overlay to include a Community Heritage District that would provide preservation incentives and design review for the rehabilitation and remodeling of existing structures.

Develop alternatives and options for a community heritage district. Host area-specific focus groups to determine planning area needs and next steps.

HS 1.2 Option of seeking code departures through Design Review process for rehab or redevelopment projects.

Evaluate the option of seeking code departures through the design review process for rehab or redevelopment projects, and report to Council.

HS 1.8 Create program for existing building owners with affordable rents, to obtain assistance with building improvements. City to provide funding opportunities & explore other options to preserve affordable housing - households earning between 50%-80% of median income.

Explore funding possibilities for building improvement assistance for owners of buildings with affordable rents. Provide analysis and make recommendations to Council.

APPENDIX B:

Lot Size Characteristics in Pike/Pine Commercial Zones

The following is a discussion of platting conditions and development characteristics for commercial zones in the Pike/Pine neighborhood. This information informed proposals for setting limits on development discussed in the Director's Report.

Platting. The platting of blocks and parcels is not uniform throughout the Pike/Pine area. Between Summit and Boylston Avenues, the blocks measure 200 feet along the east/west axis (along streets) and 350 feet along the north/south axis (along avenues), and were originally platted with 14 lots (seven per half-block) measuring 100 feet by 50 feet (5,000 square feet). West of Summit and east of Boylston Avenue, the blocks and lots are somewhat larger. East of Boylston Avenue, they measure about 255 feet east/west (along streets) and 360 feet north/south (along avenues). Individual lots were typically platted at 60 feet by 128 feet (7,680 square feet), with six lots per half block. East of Summit, there are blocks separated by Crawford Place, with a width of 120 feet on the east side and 107 feet on the east side. The blocks between Bellevue and Melrose have an east/west width of 110 feet, with individual parcels typically measuring 50 feet by 105 feet (5,250 sq. ft.).

Only a few blocks are platted with alleys, including two blocks west of Minor Avenue, two blocks with frontage on Broadway, and the three blocks split by Crawford Place. At over 30 feet at its widest point, Crawford Place is considerably wider than a typical alley width of 16 feet. Additional irregularities are created by diagonal streets, such as Madison Street, cutting across the grid, as well as shifts in the street grid at Melrose and Minor Avenues that have created irregular block shapes and sizes. Another anomaly in the platting occurs east of Boylston Avenue, where, to create more lots with frontage on Pike Street, lots were replatted to orient on to Pike Street, creating as many as five lot frontages from the original two. These lots tend to be smaller than those created under the standard platting, with the smallest being 1,650 and 1,850 square feet. This replatting pattern also occurs along Pine Street, but to a lesser extent.

Today, there are approximately 272 platted parcels zoned commercial (NC3 and NC3P) within the boundaries of the Pike/Pine Urban Center Village. Out of this total, current parcels fall into the following categories by size:

Lot size (square feet)	Number	Percentage of total
0 – 5,000	71	26%
5,000 – 8,000	98	36%
8,000 – 10,000	31	11%
10,000 – 12,000	15	6%
12,000 – 15,000	13	5%
15,000 – 18,000	23	8%
18,000 – 20,000	3	1%
20,000 – 25,000	10	4%
25,000 – 30,000	2	0.7%
Greater than 30,000	5	2%
TOTAL	271	100%

Scale of existing structures. Consistent with the parcel platting pattern, most structures in the area today are built on single lots with an area of between 5,000 and 8,000 square feet. However, several buildings occupy larger lots combining two or three parcels. Examples include:

The Odd Fellows Temple	15,360 sq. ft. lot
Masonic Temple (Egyptian Theater)	16,800 sq. ft. lot
Overland Pacific Building (East Precinct)	21,780 sq. ft. lot
Siegal Center (SCCC)	23,040 sq. ft. lot

An historic resource survey provided through the Historic Preservation Program of the Department of Neighborhoods inventoried about 60 structures to determine their potential historic and architectural significance. These structures represent a large sample of the structures that contribute most strongly to defining the physical character of the area, and provide a good cross section of Pike/Pine's established development pattern and scale.

Lots Occupied by Structures of Potential Historic Value

Lot size (square feet)	Number of buildings	Percentage of total
0 – 5,000	12	20%
5,000 – 8,000	24	41%
8,000 – 10,000	7	12%
10,000 – 12,000	4	7%
12,000 – 15,000	2	3%
15,000 – 18,000	5	8%
18,000 – 20,000	1	2%
20,000 – 25,000	4	7%
Greater than 25,000	0	0
TOTAL	59	100%

Over 60 percent of the surveyed structures are on lots of 8,000 square feet or less. While many of these structures are one or two stories, structures of two to three stories are not uncommon, and the taller floor to ceiling heights characteristic of commercial structures from the period make buildings appear taller relative to more recent development with the same number of stories.

While more recent development in the Pike/Pine area has occurred on a variety of lot sizes, newer projects tend to occupy larger sites than in the past. The following list identifies the lot sizes of projects built since the overlay was adopted in 1995, including several that are now under construction.

Recent Development

Project	Lot Area	Building type
Bellevue Olive Apts. (1994) Housing Resource Group	22,150 sq. ft.	6 story mixed use/residential
Harvard Market (1996)	74,679 sq. ft.	2 story commercial
Capitol Steps Apts. (1997)	15,750 sq. ft.	7 story mixed use/residential
Pike Lofts (1998)	17,700 sq. ft.	6 story mixed use/residential
615 E. Pike St. condo (1999)	8,950 sq. ft.	5 story mixed use/residential
Press (2001) 2 structures	34,162 sq. ft.	6 story mixed use/residential
Onyx Condominiums (2001)	14,524 sq. ft.	6 story mixed use/residential
Hawthorne Apts. (2001)	16,086 sq. ft.	7 story mixed use/residential
Crawford Condo. (2001)	6,003 sq. ft.	5 story mixed use/residential
Broadway Silver Cloud Hotel (2003)	22,523 sq. ft.	6 story hotel
Braeburn (2005) 2 structures	49,640 sq. ft.	7 story mixed use/residential
Agnes Lofts (2007)	7,424 sq. ft.	6 story mixed use/residential
Trace North (2007)	21,780 sq. ft.	6 story mixed use/residential
1531 Broadway (2007)	14,160 sq. ft.	6 story mixed use/residential

In addition to being built on generally larger sites, the taller heights of these buildings also distinguishes them from the scale of the older two to three story structures more typical of earlier development. The consistent height of these buildings--generally five to six stories--generally reflects the height limits of the zoning in the area.

The following projects are currently permitted or in the permit pipeline:

Projects in the Permit Pipeline

Project Name	Lot Area (square feet)	Building type
1623 Bellevue Ave	5,250	6 story mixed use/residential
1605 Bellevue Avenue	20,680	6 story mixed use/residential
514 E. Pine Street	23,379	6 story mixed use/residential
1620 Broadway	31,933	6 story mixed use/residential
1222 E. Pine Street	11,520	7 story mixed use/residential
1205 E. Pine Street	14,528	5 story mixed use/residential
1210 11 th Avenue	20,065	6 story mixed use/residential
954 E. Union Street	18,799	6 story mixed use/residential

401 E. Pike Street	9,652	mixed use/residential
1158 Broadway*	16,424	5 story medical office
1424 11 th Avenue	20,303	6 story mixed use/residential
1222 E. Madison Street	18,017	6 story mixed use/residential

*Permit application not yet filed

Current projects with permit applications continue the trend towards larger lots sizes, although the range includes small, single lots and does not include lots as large as some of the largest from the more recent past.

Conclusion Platting, lot assembly, and ownership patterns in the Pike/Pine neighborhood have resulted in a relatively large number of small to modest size lots, and this in turn has influenced the scale of development in the area. Recognizing existing platting patterns also assists in developing a proposal for guiding future development that balances objectives for maintaining a compatible relationship with the scale of existing buildings while accommodating a scale for new projects that permits an economically feasible development response to zoning regulations, land values, construction practices and costs, and market conditions.

The decision to limit the size of floors above 35 feet in height to 15,000 square feet provides a balance that reflects the prevalent development scale and acknowledges existing platting and lot conditions while allowing for an increment of increase to accommodate more intensive use of the land. Based on the survey of recent development in the area, this floor size limit would accommodate over 50 percent of the projects either built over the last 15 years or currently applying for a permit. The 15,000 square foot limit allows for a reasonable range in the scale of new development so that the area can continue to accommodate a variety of building types.

APPENDIX C:

Memo

December 19, 2008

To: Rebecca Herzfeld, Seattle City Council Central Staff

From: Greg Easton, Property Counselors

Subject: Economic Analysis of Zoning Changes for Pike/Pine Corridor

Background

The Department of Planning and Development (DPD) is proposing to amend provisions of the Pike/Pine Overlay District in the Land Use Code. The purposes of the changes are to promote new mixed use and residentially-oriented development; provide for development compatible in scale to existing development; provide incentives to encourage retention of character buildings; promote continuation of small, diverse local businesses; and provide incentives for retaining and attracting arts and cultural organizations.

The proposed code changes include several restrictions on development in the corridor.

- Maximum floor size of 15,000 square feet above 35 feet. Separation of 40 feet between portions of structures above 35 feet.
- Maximum length of frontage per business 50 feet (except when portions of frontage are interrupted by another business).
- Maximum Floor area Ratio (FAR) for non-residential uses of 2.0, or if building taller than 30 feet, lesser of 2.0 or 50% total gross floor area.
- Building width less than one-half block width on Pike and Pine Streets.

Generally, properties are exempt from these restrictions if they incorporate existing designated character buildings.

You have asked me to review these proposed changes and address two questions:

Does the proposed floor area limit provide enough flexibility for new development or would it be a disincentive?

If the proposal provides adequate flexibility, are there sufficient incentives to encourage developers to preserve older buildings?

I have reviewed the proposed code changes and analysis provided in the DPD Director's Report, and offer my opinion on the two questions you raised.

1. Does the floor area limit provide flexibility for new development?

DPD staff considered 20 residential/mixed use projects (recently built or in permit pipeline) and identified only four or five that would be constrained by the 15,000 square foot size limit. Certainly, lots that are 15,000 square feet or less will not be constrained by the restriction. The first part of the answer to the question is that the floor area restriction will not affect the feasibility for new development on small lots.

The restriction would have an impact on projects on larger lots. Projects on large lots are frequently built with separate buildings in order to provide efficient layouts for units. A residential floor with a double-loaded corridor won't be wider than approximately 70 feet to assure that units aren't too deep to get adequate natural light. The requirement that buildings or portions of buildings be separated by 40 feet will limit the development potential of larger sites. Three of the buildings considered by DPD on larger sites were developed with separate structures.

Building	Site Area	Structures	Spacing Between Upper Floors of Structure
Braeburn	49,640 sq. ft.	2	20 to 35 feet (approximate)
Press	34,162 sq. ft.	2	5 feet (approximate)
Trace Lofts and Trace North	33,236 sq. ft.	2	0 to 10 feet (approximate)

(Spacing estimates taken from aerial photos.)

As shown the spacing between buildings is much less than the 40 feet as proposed. (In the case of Trace Lofts and Trace North, the two buildings are located on separate tax parcels, but built by the same developer. The relationship of the two buildings indicates that the developer chose to separate the buildings by less than 40 feet.) In these cases, the total floor area would be reduced somewhat if the required spacing were 40 feet for portions of the structure above 30 feet. The extent of the reduction depends on the size of the upper floors and the overall allowable FAR. With land valued according to potential density, a developer would achieve lower returns on development, or the value of the underlying land would be reduced.

So the second part of the answer to the question is that for larger sites, the restrictions would reduce the development potential and associated returns, and would likely affect land values. Further, because of the reduced development potential, the proposed amendments would have a discouraging effect on the aggregation of property into large lots.

2. Do the changes provide sufficient incentive to preserve buildings?

As described above, projects would generally be exempt from the floor area restriction (and several of the other restrictions as well as the maximum building height of 65 feet) if they incorporate or preserve designated character buildings. The combination of these exemptions offset the loss of development potential mentioned in the answer above. The extent to which the exemptions would provide an incentive depends on the cost of redeveloping the character building.

Redevelopment of older buildings is often 20% and as much as 100% higher than new construction. The extra costs are related to requirements for seismic and energy upgrades. Equally important is the uncertainty over building condition and necessary remedies. Further, the soft costs related to design and permitting are higher. Overall, there are incremental costs associated with preserving the older buildings that must be balanced against the increased development potential.

The answer to the question will vary from site to site depending on building condition and configuration. The increased development would certainly provide an incentive to consider preserving character buildings. Whether there proves to be adequate incentive to actually preserve a building will depend on site-specific conditions.